WITH NEWFOUNDLAND SUPPLEMENT

THE FINANCIAL POST

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The Nation's Business

British Branch Plants
Mr. Malcolm's Plea to British Industry
Rests on Solid Ground
Old Country Firms Lag in This Respect
U.S. Firms Show Way

HON. JAMES MALCOLM minister of trade and commerce, made a practical plea when he asked British industrial firms to establish branch plants in this country to serve the Canadian market. American companies have established at least a thousand plants in this country; British firms have erected a much smaller number, probably not over a hundred.

There are reasons for a wide disparity in the numbers as between the two countries, very sound reasons such as the geographical proximity of the United States, the preference we give to goods manufactured in the British Isles and the desire of Americans to get into the Empire market with goods manufactured in a factory somewhere in that Empire. Powerful as these influences are they do not entirely explain the wide variance in number between British and American plants in Canada.

Undoubtedly a very strong influence that has prevented the establishment of more British plants in Canada has been a lack of realization on the part of many British companies of the real purchasing power of the Canadian market when properly exploited.

* * *

ONE can easily call to mind the names of many important British branch plants in Canada or plants with such important affiliations as to come virtually within that class. Lever Brothers (with its subsidiary interests) is undoubtedly the outstanding company; Dunlop Tire, Fry's, Brunner Mond Charles Walmsley & Co., English Electric, are other examples. More recently British Celanese, Rowntree's and Crosse and Blackwell have erected or acquired important Canadian factories or affiliations.

* * *

SOME time ago, Fred W. Field, senior British Trade Commissioner for Canada, addressed a plea to British firms to open branch plants in Canada in order to strengthen their hold upon the Canadian market. In this he said:

"It is often asked why there is not a greater number of branch works in Canada of British firms. One of the principal reasons for the substantial investment of the United States in branch factories is the desire to secure, as Canadian manufacturers, the benefits of British preferential tariffs. This is not a reason for the establishment of British branch works. In the majority of cases it will probably be found that British manufacturers are able to export from their home works and do a profitable business in Canada. In certain industies, for various reasons, branch works of some sort may be necessary in order to transact a business of permanence and value. Many British firms might give careful consideration to the question of establishing a branch works in conjunction with an adequate selling organization. If, after the most searching investigation, this course should be chosen, the firm may find it desirable to limit its initial operations to the assembling or manufacture locally of staples in every day demand in the Dominion, utilizing the distributing organization of the local branch factory for the sale of the firm's more specialized finished products, which can be imported from the home factory, along with such semi-finished products or parts as are necessary.

"In deciding to establish branch works, one of the first questions demanding consideration is whether it is more satisfactory to start an entirely new organization or to proceed by associating British capital and experience with those of an existing Canadian organization. A definite recommendation cannot be made in regard to a matter of this kind, but there are many advantages in adopting the latter course. On more than one occasion the non-success of British manufacturing concerns overseas has been due in a large degree to the failure of the administration in the United Kingdom, and sometimes also locally, rightly to interpret the local atmosphere. Policies admirable in conception and capable of being carried out successfully in the United Kingdom, are not necessarily to be so regarded where an overseas branch is concerned. Unless after full investigation the administration in the United Kingdom have a thorough grasp of the problems demanding solution, based on a knowledge of local conditions, and are prepared to give to the overseas administration a voice in matters of policy, and a wide measure of authority, it will be a matter for surprise if any marked degree of success is achieved.

"Several British firms have acquired an interest in Canadian manufacturing firms. In these cases the British firms do not export to Canada."

* * *

OF COURSE British firms have not had uniform success with their establishments in Canada. Some of them have been frankly mismanaged, chiefly through lack of experience with affairs Canadian and through too great a tendency to manage things from a home office across the water. Others have taken their chance on the tariff and have had it turn against them in the process of continual change that has marked our fiscal wanderings of recent years. Baldwin's Canadian Steel Corporation, represent-

(Continued on page 8)

New Toronto Terminal of Canada Steamships Cost Company $2,000,000

Price Not Fixed for Property Taken Over by City

NEW DOCKS EXTENSIVE

Represent Largest and Most Modern Terminals on Canadian Side of Great Lakes

Canada Steamships Lines, when it moved into its new $2,000,000 terminal in Toronto this week, passed another milestone in its programme of complete rehabilitation of the enterprise. Construction of the new terminal was immediately forced by the harbor and rail viaduct works of the city of Toronto in connection with which the company's former terminal has been expropriated. But in building a new terminal the company kept in mind its present and expected growth and built a structure that for permanence of construction, and for utility and size it not exceeded anywhere on the Canadian side of the Great Lakes.

Shows Faith in Future

Incidentally the attention given to erecting suitable embarking and unloading platforms and waiting rooms for passengers expresses the faith of the directors in the future of the passenger business of the company on its different "runs" out of Toronto.

Canada Steamships Lines former terminal at the foot of Yonge Street, Toronto, was owned outright. When it was expropriated in February of this year the company received $500,000 in cash as a payment on account. The balance of the payment will be received when a court of arbitrators has fixed the value of the property. What the company is likely to receive for the property is anybody's guess but shareholders naturally hope that it will be at least sufficient to cover the cost of the new and more modern terminal which has infinitely better arrangements for the handling of both freight and passengers.

Is Two Million Dollar Job

Canada Steamships Lines paid down a million dollars cash for the site of the new terminal. This money was raised in the recent financing of the company when ample provision was made for these new terminals and the new terminals at Quebec. The land was bought from the Toronto Harbor Commissioners who created it by pumping lake bottom sand inside of pierheads of concrete. An area of eight acres was acquired. The price paid, $125,000 an acre, is regarded as high but the Harbor Commissioners, encouraged by the sale of land in recent months to such organizations as the Toronto Baseball and Athletic Company. Crosse and Blackwell. Canadian Rail and Harbor Terminals and several other organizations, is placing a high value on the balance of the harbor frontage. There was one freight warehouse on the property that will continue in use. Comparing the price of $125,000 an acre with the price of $50,000 an acre for nearby property purchased for the Canadian Rail and Harbor Terminals shareholders should remember that the price paid for this land will likely be an important factor in determining the price to be received from the six odd acres expropriated.

Gangs of men have worked night and day to finish the new terminal and a million dollars has been spent in erecting structures on the property. Included are a large passenger and baggage station of steel and brick construction, with bakery, kitchens, offices, etc.; and a large package freight warehouse 600 by 80 feet.

Have Street Car Expropriation

Street car lines have been extended to the property and there is ample automobile parking space as well.

The slips will accommodate the largest boats that any of the existing canals on the Great Lakes—St. Lawrence Waterway or canals under construction will handle.

Recent news items have thrown confusing interpretations dealing with the effect of the automobile upon passenger traffic such as Canada Steamship Lines handles between Toronto and Hamilton, Niagara Falls, and the Thousand Islands. One newspaper report tells of a Thousand Islands boat service being discontinued. Another report records that the traffic on the Hudson River day line, where motor car competition is direct and intense, is the largest ever recorded.

Make Auto Work for C.S.L.

Directors of the Canada Steamship Lines expect the automobile to be a factor in building business for them. The automobile will bring tourist customers, they feel, and money will be made as well in carrying cars across the lake. So confident are the directors of meeting the competition of the automobile that they already have tentative plans laid for new boats for the Toronto-Niagara service that will exceed in size anything now in service. It is said that one boat will carry 4,000 passengers. This, of course,

(Continued on page 5)

Good Orders in for Sydney Steel Plant

From Our Own Correspondent.

SYDNEY.—It may be just coincident, but operations at Sydney Steel Plant have taken a very definite upward turn since Justice Chisholm handed down his decision that Dominion Steel Corporation shall be liquidated. The rail mill is busy with 10,000 tons for the C.P.R. and several other departments, idle for five weeks have started up again. The fence mill reopened on Monday, the wire mill on Wednesday and nail mill Thursday and the galvanizing plant on Friday. Orders on hand will keep all these operations going for several weeks.

NATIONAL MILK PRODUCTS SOON TO SHIP TO N.Y.

May Erect Other Plants if Present One Proves Success

On August 1, National Milk Products, Gananoque, expects to commence shipment of sweet cream to the New York City market. When this business gets under way it is stated that the company will be able to earn a full year's bond interest in a single month of operations.

New York market for cream is highly prized and is hard to break into because of the rigid regulations of New York health authorities. National Milk Products have found it necessary to train the farmers in their area to higher standards of dairying, in order to insure that the market, once entered, shall not be lost.

Company is exporting milk powder, which it manufactures from the skim milk, to different countries and has also built a substantial market among large users in Canada, including bakeries and confectionery manufacturers.

If National Milk Products prove the success its backers expect it will probably erect similar plants in other cheap milk centres in Ontario, a tentative programme of five plants having been actively discussed.

The personal estate in England of the late Sir William Mackenzie, of Toronto, has just been returned at £17,249.

Oliver's Retirement Likely to Force Vote; Big Issues Involved

Pacific Great Eastern, Tax Problems and Rail Rates

McLEAN TO SUCCEED

But Premier Oliver Will Continue as Titular Head of Province for While

From Our Own Correspondent.

VANCOUVER.—British Columbia is on the eve of political and economic developments of exceptional importance, as a result of Premier John Oliver's announcement that he will shortly retire.

The retirement of "Honest John," who has served the province as premier for ten years, is regarded as almost certain to bring about a general provincial election and with this contest will be bound up several issues closely associated with the industrial and financial life of British Columbia.

Premier Oliver has returned from the East, where he underwent on operation, and he is now determined to drop out of public life. The man expected to succeed him is Hon. J. D. McLean, minister of finance. He is Oliver's own choice for the post and he will likely lead the Liberal party in the next election and at the next session of the legislature.

Premier Oliver has consented to defer his final decision for a while and continues as premier, with Hon. J. D. McLean at the helm.

Give Hand With P.G.E.

There will be three or four major issues in the provincial election, and one or two of them will centre upon the Pacific Great Eastern Railway. United States interests are now negotiating for the road and if the province is able to secure title to a large

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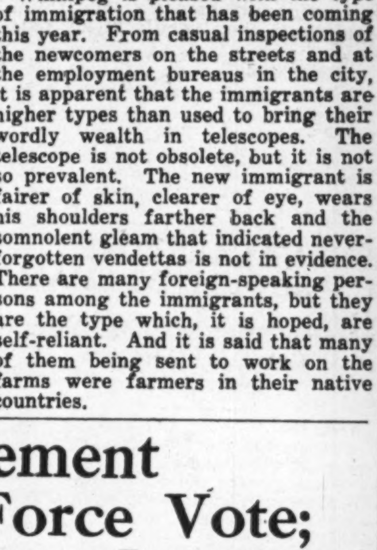

HON. DR. J. D. McLEAN, Acting Premier of British Columbia and slated to succeed Hon. John Oliver as premier.

Montreal Power Will Increase Its Dividend?

From Our Own Correspondent.

MONTREAL.—After a period of several months in which there have been no particularly interesting rumors in circulation regarding Montreal Light, Heat and Power Consolidated, gossip has once again commenced and the current rumor is that further consideration will be afforded the Montreal Light, Heat and Power shareholders in the autumn.

Regarding information of this kind, it is naturally impossible to obtain any official information, but recently, during the break in the stock market, Shawinigan Water and Power stock fell off more than 15 points, whereas Montreal Light, Heat and Power stock held firm.

WEST EXPECTS EXCELLENT CROP; DAMAGE LOCAL

Newspapers Fail to Evince Alarm Because Area Is Large

SEEK MANUFACTURERS

Latest Immigrants Apparently Are of Better Type Than Those Formerly Invading Prairies

By Staff Editor.

WINNIPEG.—Western newspapers do not report great damage to crops in the storms of the last week or two.

"We always have storms and we always have crops," explained a Winnipeg man. "This is a large country."

And this is an optimistic part of the country. Winnipeg ceased to be the one vital gateway for the West when the Panama canal was opened. Since then, and for divers other causes, growth of the city has not been so rapid. But there has been growth. Winnipeg and Manitoba have set about offsetting losses occasioned by the diversion of grain and other products through Vancouver and Panama.

Boards Make Surveys

Manitoba has an industrial development board which is supported by the provincial government, Winnipeg, the Winnipeg board of trade and some other institutions. J. M. Davidson, the manager, has directed various surveys which have indicated that Manitoba is suited for various types of manufacture.

Manufacturing ultimately must develop in Manitoba, and probably elsewhere in the prairie provinces where there is power. Manufacturing, especially if it is of the type which can use farm labor in seasons when such labor is not engaged on the land, should be advantageous as the market grows. The moderate progress that has been made so far indicates that the industrial future of this region is by no means hopeless.

Better Immigrants

Winnipeg is pleased with the type of immigration that has been coming this year. From casual inspections of the newcomers on the streets and at the employment bureaus in the city, it is apparent that the immigrants are higher types than used to bring their wordly wealth in telescopes. The telescope is not obsolete, but it is not so prevalent. The new immigrant is fairer of skin, clearer of eye, wears his shoulders farther back and the somnolent gleam that indicated never-forgotten vendettas is not in evidence. There are many foreign-speaking persons among the immigrants, but they are the type which, it is hoped, are self-reliant. And it is said that many of them being sent to work on the farms were farmers in their native countries.

International Paper Assails Shawinigan's Supremacy in Quebec

Will All Premiers Decide on Carillon?

From Our Own Correspondent.

MONTREAL. — The latest prophecies going the rounds regarding the Carillon power situation, indicate that next autumn there will be a conference of all the provincial and federal authorities involved in the Carillon power site tangle at which will be finally decided what interests will develop the site. Gossip regarding this conference indicates that probably the rights to the site will go to the National Hydro-Electric, which is controlled by Shawinigan interests. If Shawinigan be successful in obtaining the concession, it will mean that the company's supremacy in Quebec will be maintained.

BELIEVE LONDON PARLEY SETTLED C. N. STOCK FIGHT

Stock Demand Indicates Agreement Has Been Reached

Persistent buying in New York of the Canadian Northern Income Debenture Stock this week, is said by those who have followed negotiations between the company and the stockholders, to indicate that a settlement has been reached or will be made very shortly. It was only a few months ago when this security could be picked up at 72, with plenty offered and very little buying. Overtures between the Canadian Northern and the stockholders' committee last October created new interest and the price advanced. A temporary setback took place when the Dominion Government declined to approve the scheme of settlement, but since then the stock has been steadily increasing in value and early in the week sold at 83½. This is the highest price fetched since about 1914.

C.N.R. Man in England

A representative of the Canadian National is now in England negotiating with the committee. It was thought that an arrangement would be reached by last Friday, but so far no news has arrived from London. At a preliminary meeting between the secretary of the committee and the C.N. representative, the former laid down the minimum terms he would recommend to the committee as follows:

(1) Stockholders to receive in exchange for, and of equal face value with, their present stock, 5 per cent. Income Canadian National Railway Bonds guaranteed as to redemption in May, 1930, by the Canadian Government; or a stock of the minimum present value on the London Stock Exchange of 86.

(2) Independent legal opinion to be obtained as to the legality of the present method of arriving at the earnings available for the payment of interest on the 5 per cent. Income Stock, for the purpose of deciding what, if any, arrears of interest should be paid, and how the earnings available for present or future interest shall be reached.

Close to $86 Figure

In view of the fact that the scheme of settlement hinges on the valuing of the $24,000,000 stock outstanding, at $86 a share, it is significant that recent trading had forced the price up until it is within a point or two of that figure. It is believed in some quarters that the Canadian National are willing to compromise at that price and have been buying in as much stock as possible through their New York representatives.

Even though present negotiations are successful, the matter will still have to come up before the Dominion Government for approval.

Imperial Oil Seeks More Alberta Wells

By Staff Editor.

CALGARY.—A. M. McQueen of Imperial Oil has been in the Alberta oil fields since the discovery of real crude oil. He does not admit it, but Calgary is convinced that the Imperial is seeking additional acreage, both proved and unproved.

It is believed that Imperial Oil has a greater asset in the Devenish well than has been conceded. It is also stated that production could be on a heavier scale in this area. Imperial is believed to be merely proving wells and is not anxious to increase production at this time when there is general over-production.

Gatineau Power May Become Largest Power Producer of Dominion

MIGHT GET CARILLON

Weakness in Shawinigan Shares Due to Manipulation? — Gatineau and Shawinigan now Comparable

From Our Own Correspondent.

MONTREAL. — Is the Shawinigan Water and Power Company to lose its crown of supremacy as the largest privately-owned power producer in the Dominion? The entry and tremendous expansion of the International Paper Company in the power field in Quebec would make it seem more than possible.

The Gatineau Power Company, the wholly-owned subsidiary of the International Paper Company, is installing a total of 460,000 horsepower at its three plants on the Gatineau and its plant at Kipawa. In addition, the company recently purchased the Quebec Southern and the Ottawa-Montreal Power companies. These two smaller properties bring the figure of the initial installation at the Gatineau Power Company's plants up to a total of 481,000 horsepower.

Output of 444,300 H.P.

At the present time, the Shawinigan Water and Power Co. produces some 379,300 hydro-electric horsepower and sells also 65,000 hydraulic horsepower, making the total power production of the company 444,300 horsepower, as compared with an installation when completed of 481,000 horsepower in the Gatineau Power Company's plants.

But in addition, Shawinigan purchases 130,500 horsepower, so that the company distributes in all, 580,800 horsepower. On the other hand, the Gatineau Power Company's power houses have been designed for an ultimate capacity amounting to 607,000 horsepower.

Shawinigan Water and Power Company owns about a 20 per cent. interest in the Duke-Price Power Company and from this subsidiary it will obtain a further 100,000 horsepower which it will distribute over its lines.

May Get Carillon Site

Offsetting this in the race for supremacy in the power field, it is now said that the International Paper Company might obtain from the government the right to develop the Carillon power site on the Ottawa River. It is said that there are good reasons why the International Paper Company stands a better chance of acquiring Carillon than Shawinigan.

Shawinigan is, and will, of course, remain supreme in its own territory. Some years ago it was thought that the possibility of any really large power companies, other than Shawinigan, operating in the province of Quebec was more than remote. But A. J. Nesbitt came along and brought the Southern Canada Power Company well to the fore.

Came Duke-Price Plant

Next came the Duke-Price plant on the Saguenay. There is an interesting story going the rounds regarding the inception of this Saguenay development which, like most stories, is probably untrue. It is said that when the late J. B. Duke was considering expansion in Canada, he mentioned the matter to J. E. Aldred, president of Shawinigan. J. B. Duke did not

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Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post.

WEEKLY REVIEW OF CONDITIONS

Midsummer Lull Prevails in Practically all Industries
Good Crop Will Mean Much to Continuation of Prosperity
Volume of Manufactures Well Above Last Year's Figures
Revenue Freight Loadings Setting High Mark for All-time

A MIDSUMMER lull now characterizes business in most lines of activity. While there is no general let-up in operations, manufacturers and distributors are waiting to see how prospects shape up for the fall and winter work. This is not unusual for the time of the year and insofar as actual production and distribution is concerned, present levels compare favorably with those of a year ago. Much of the activity for the next eighteen months, of course, depends upon the outcome of the crops. The government's estimate of the wheat yield for this year was not as favorable as was expected in some quarters, despite a smaller acreage.

Growing conditions have been and are well above the average and with hot weather from now on until the end of August, yields should be larger. the rural sections, however, are radiating a spirit of optimism which has had a reassuring effect on business. Prices for wheat and other grains have made good advances in the past week and if maintained will mean a substantial increase in revenue received. Very few districts have suffered loss from hail, rust, or other causes and the quality of the crops promises to be very good. As far as can be ascertained, there has been no serious decline in the volume of country buying. Farm operations have necessarily limited opportunities of the farmer to get into town, but this is only a seasonal factor and of no particular significance.

Manufacturing Well Maintained

The physical volume of manufacturing is being well maintained. Those industries catering to the American export trade, have experienced of late a softness in demand, but the situation across the line does not call for any uneasiness. The newsprint industry has by now taken up the slack between supply and demand and orders are steady. Recent formation of a sales organization by the larger producers has had much to do with regulating supplies and it is considered that the sales problem in this industry will be best taken care of for some time to come.

Conditions in the iron and steel and allied industries, have been maintained on a satisfactory basis during the past few weeks. Primary production is running well ahead of last year and this alone is a good indication of activities in other key industries. Automobile manufacturing, one of the principal iron and steel using industries, has been somewhat quiet recently, not on account of smaller demand but rather due to the fact that a number of companies are putting new models on the market this fall.

Building values are well up to the mark, and demand for structural steel, hardware, cement, and other products of a similar nature, has not shown signs of slacking off. Industrial and engineering projects are not as numerous this year, but residential, apartment and business building is sufficiently large enough so as to offset any adverse effects from lack of activity in the former type of work.

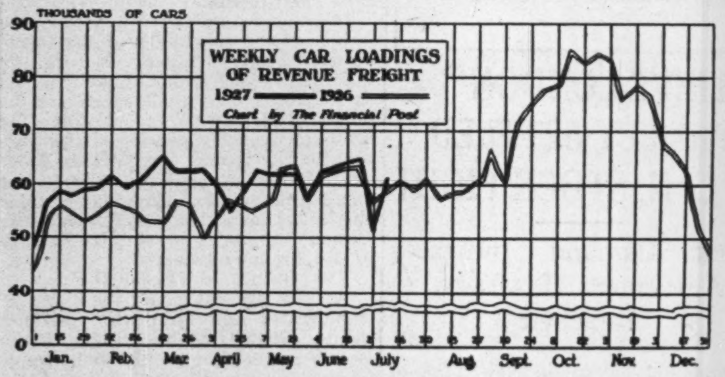
Distribution Steady

Insofar as the actual distribution of merchandise to the consumer is concerned, the first two weeks of July have seen the movement of a volume as great as last year. Holidays early in the month naturally interfered with retail operations, but the set-back in this regard was not overly great. Competition continues keen in practically all lines and the number of small commercial failures has been increasing. Merchants have learned the value and importance of buying for immediate requirements only and stocks on hand are low. In the event of more widespread buying, a flood of manufacturing orders should result.

Revenue Freight Increasing

While the customary indices of business activity are not very informative at present, the weekly report of revenue freight loadings is indicative of the distribution of merchandise and also of activity in industrial groups. Since the beginning of the current year, higher car loadings than last year have been cosistently reported. Aggregate loadings for the first 27 weeks have passed the 1,600,000 mark and are roughly 100,000 greater than in the corresponding period last year. At the same time, revenue freight received from connections has been slightly higher than in 1926, so that the two combined give assurance that last year's record volume of production is being maintained, if not exceeded.

The most interesting feature of these weekly car loading reports, is the heavy movement of merchandise. Coal, ore, pulpwood and other products have been making a good showing, but the manner in which merchandise is being distributed and apparently absorbed is concrete evidence of the tremendous buying power of the country. Moreover, the distribution is not being confined to any particular area. All parts of the country are buying freely and good returns from the current crop will see a continuation of this buying power on an even greater scale.



As an index of the distribution of merchandise and a general indicator of the volume of business, car loadings reports are probably unexcelled. Since the beginning of the current year, the weekly returns on revenue freight have only dropped below the 1926 record four times.

Agricultural Survey

Growing Conditions Good
Warmer Weather Needed
Average Grain Carryover
Increase in Apple Crop

Favorable reports force prices to lower levels. This, in general, is the comment upon the Government's recent estimate of crop yields for the current year. There have been a number of unfavorable features about the agricultural situation, notably a smaller acreage and cold weather, but in the past four weeks conditions have improved to such an extent that they are now undoubtedly better than at the same time in 1926, when the final returns showed a wheat yield of over 409,000,000 bushels. It has usually been the case that the preliminary figures of the government were too conservative and it will be interesting to compare the last estimate with that of the Winnipeg Free Press, which will shortly be published.

Hot Weather Needed

Hot weather from now until the end of August will cause a sharp upward revision in estimated yields. Growing conditions during the past ten days have, on the whole, been satisfactory. Storms broke over a large portion of the Prairie Provinces, but the damage done was not great. Rain fell in most districts and few points report lack of moisture. It is many years since the Prairies have had sufficient moisture at this time of the year and this fact alone is sufficient cause for optimism. Practically no damage has been caused by rust or cutworms. Warm weather and plenty of it, is the most pressing need in all the provinces.

Present prospects are that little grain will be carried over into the next crop year. Returns received by the government as to stocks of grain in store at country elevators for the week ending July 8th last, show 7,957,961 bushels on hand, as compared with 7,109,365 at the same time last year. On the same date, stocks at the Head of the Lakes totalled 25,524,847, compared with 23,981.683 in 1926. Thus there are about 3,000,000 bushels more grain on hand this year than last. Shipments during the next month will clear up most of these stocks and the board should be cleared by the time the new crop starts moving.

Much of the hay crop in the Eastern provinces has been excellent and the yield, especially in Ontario, has been well above the average. Pastures have been excellent and livestock have been doing well. Cattle moved to market have been in prime condition and prices steady. Demand from Britain for live cattle has been a little better, but the situation on the other side is far from being of the best.

Apple Crop Better

There have been some changes in the apple situation since last month and at this date it is difficult to arrive at a reasonably fair estimate of the total commercial crop, owing to the late set throughout the Dominion, and particularly in Nova Scotia. Cold weather and too much moisture in the early part of June resulted in a backward season. Conditions since then have been better. Indications, however, point to some increase over the five year average. Other fruits remain fair to good.

The following is a summary of the commercial apple crop prospects by provices on July 1st, prepared by the Department of Agriculture, as compared with last year, on the basis of fresh fruits moved to market and not including fruits used for evaporator, canning or other manufacturing purposes.

	1927 Estimated barrels	1926 barrels
B. Columbia	1,049,000	1,312,360
Ontario	900,00	598,700
Quebec	103,000	115,800
N. Brunswick	30,000	30,000
Nova Scotia	1,400,000	927,370
Total	3,482,000	2,984,230

WHEAT CARRYOVER SHOULD BE SMALL

Major Portion of Last Year's Crop is Already Distributed

With the 1926-27 crop year drawing to a close, the government's report on exports of wheat and wheat flour during the eleven months ended June last, is of more than ordinary importance in that a reasonably accurate estimate can be made of the wheat carryover into the next crop year. In the eleven month period 244,645,657 bushels of wheat, valued at $338,246,810, were exported, as compared with 259,250,592 bushels, worth $376,642,216 in the corresponding period of the preceding year. Of this year's total 181,810,427 bushels, of which 134,506,645 went via United States, were shipped to the United Kingdom. A little over 7,000,000 bushels were exported to the United States and the balance, 55,593,511, to other countries.

Wheat flour shipments to foreign markets in the eleven months ended June, 1927, totaled 8,798,624 barrels, worth $58,349,143, as compared with 9,918,315 barrels, value $66,964,488 in the same period of 1925-26. Nearly half of the total exports were destined for the United Kingdom, but unlike wheat, the majority of shipments were via Canadian sea ports.

Demands Are Heavy

On the basis of 244,645,657 bushels of wheat exported as grain, about $40,000,000 exported as wheat flour, another 40,000,000 for domestic consumption and 30,000,000 for seed, and 15,000,000 for feed, there is left between 35,000,000 and 40,000,000 bushels of wheat to be disposed off in July. It is unlikely that more than 20,000,000 bushels will be exported, either in the raw or manufactured form, before August 1st, and consequently the carryover will be in the neighborhood of 25,000,000 bushels. For the crop years ended July 31, 1926 and 1925, the amount of wheat carried over was 34,817,000 and 25,4554,000 bushels, respectively. In the event of the 1926-27 carryover being as small as 25,000,000 bushels, the new crop should move out rapidly.

CO-OPERATIVE FOX MARKETING MOOTED

Association Goes on Record Favoring New Sales Method

Co-operative marketing which has been put in force in all parts of the Dominion for the handling of numerous commodities, is now advocated by the Canadian Fox Breeders' Association for the disposal of fox pelts. At the recent annual meeting of the organization, which includes practically all the fox breeders in the country, this subject came in for a lot of attention and it was the concensus of opinion among the members that such a move would be beneficial to the industry.

Should co-operative marketing be put in force, a measure of stability would be secured which would enable the breeders to more closely estimate revenue. At present, pelts are shipped independently to the big fur auction sales, where they are graded and auctioned off to the highest bidder. The producers have no control over the market. By co-operation, it is hoped that the pelts will be collected, graded, and a standard of prices arranged which will be conducive to greater prosperity in the industry than has prevailed heretofore.

The last census of the fox farming industry, for the year 1925, showed 2,130 farms in Canada, in which the capital investment totalled $13,112,235. There were 47,490 animals on the farms, and during the year 10,871 pelts were sold at a price of $780,439. In addition, 14,330 animals, valued at $2,872,194, were sold. Prince Edward Island, of course, is still the center of the industry, although the other provinces, notably Quebec, have made great headway in recent years.

Alberta Produces Polo Ponies

A thriving new industry in Southern Alberta which is making progress and is full of promise is that of the raising of polo ponies. Three ranches are engaged exclusively in this industry and ranchers and farmers are coming increasingly to engage in it as a side line. About five carloads or one hundred polo ponies leave Southern Alberta annually for the United States.

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest This Year	Latest Last Year	To Date This Year	To Date Last Year
Production—				
Pig iron, tons (May)	78,987	72,762	334,276	300,010
Steel, tons, (May)	96,711	89,513	427,370	349,907
Newsprint, cwts. (June)	170,590	158,601	996,673	893,753
Automobiles (May)	25,708	24,934	107,600	103,127
Boots and shoes, pair (May)	1,480,003	1,352,720	7,372,268	6,987,373
Flour, bbls. (Feb.)	1,231,000	1,440,000	2,727,000	2,862,000
Construction—				
Contracts awarded (April)	$38,582,300	$37,292,000	$92,836,700	$83,218,000
Building permits (May)	$20,532,147	$18,504,296	$62,973,761	$60,042,369
Labor—Employment index (June)	105.9	101.0	....	....
Transportation—				
Car loadings (to July 9)	61.628	59,399	1,630,924	1,544,471
C.P.R. gross (May)	$15,214,360	$15,492,758	$73,571,659	$69,693,817
C.P.R. net (May)	2,031,630	2,448,876	10,747,847	11,129,583
C.N.R. gross (May)	$22,864,398	$23,021,017	$107,153,564	$102,346,994
C.N.R. net (May)	2,769,759	3,329,230	13,424,222	13,530,154
Population—				
Emigration (May)	5,259	....	26,775	......
Immigration (May)	23,941	18,620	59,382	36,113
Trade—(May)—				
Imports	$94,412,439	$86,052,253	$432,839,530	$395,432,375
Exports	$109,782,531	$91,339,823	$455,353,901	$486,164,567
Imports of key products (May)—				
Rubber, lbs.	5,644,143	......(12 mos.)	52,835,777	46,759,318
Cotton, lbs.	10,129,213	......(12 mos.)	139,187,978	128,765,253
Sugar, $	3,983,427	......(12 mos.)	41,662,974	34,729,252
Petroleum, gal.	49,049,108	......(12 mos.)	700,549,200	588,066,760
Coke, tons (May)	173,727	159,390	850,719	782,939
Exports of key products (May)—				
Newsprint, (cwt.)	2,998,475	......(12 mos.)	35,943,499	30,305,945
Automobiles (pass.) (No.) (Mar.)	6,512	8,033	15,405	17,729
Wheat, bus. (June)	15,863,044	27,791,702	105,130,539	94,294,810
Wheat Flour, bbl.	846,700	1,029,490	4,617,670	5,297,623
Finance—				
Failures, number, (May)	127	124	752	715
Failures, liabilities, (May)	2,235,675	2,065,385	11,920,951	11,856,499,734
Bank Debits (May)	$2,986,235,659	$2,415,275,589	$13,138,481,883	$11,856,499,734
Bond sales (June)	78,361,424	59,305,825	258,520,860	351,775,924
Stock prices index (July 9)	....	....	346.6	179.9
Insurance sales (May)	$44,553,000	$37,703,000	$201,578,000	$184,183,000
Wholesale prices (1913-100))—				
General index (May)	....	....	151.9	156.8
Pig iron	....	....	143.6	144.1
Cotton	....	....	127.2	158.6
Grains	....	....	181.4	188.4
Cattle	....	....	133.9	108.5
Rubber	....	....	64.7	74.2

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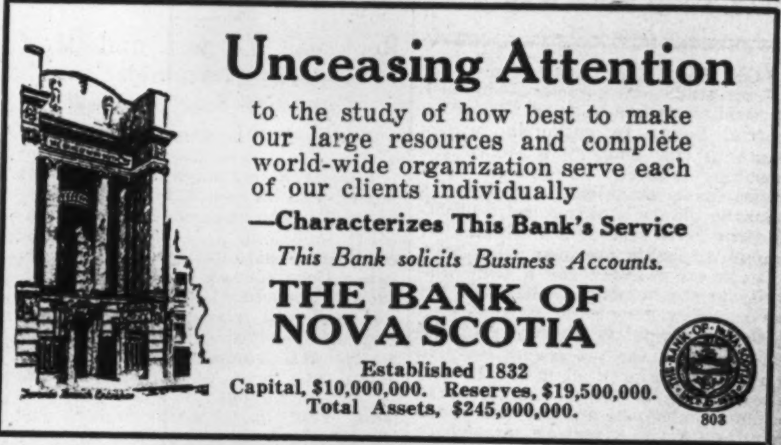
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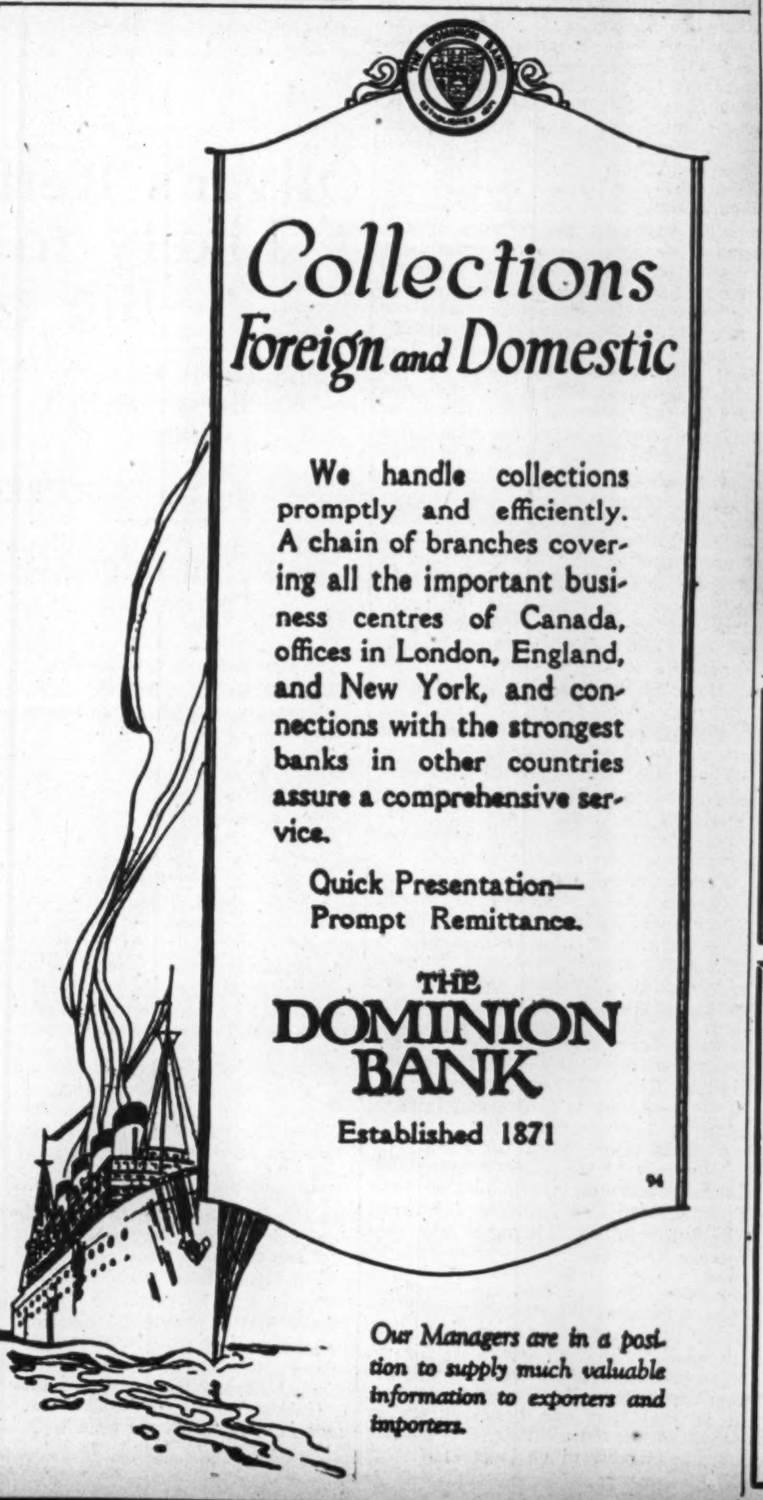
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TRADE FIGURES AFFECTED DUE TO CHANGING VALUES

Variation in Import and Export Values Now Indexed

Export and import valuations have played an increasingly important part in the favorable trade balance of Canada during the past six years. Comparative figures of trade in those years have been unsatisfactory, owing to the wide spread in commodity prices between one year and another. Consequently the Bureau of Statistics have compiled a new index number of export and import valuations for the years 1920 to 1926 on the basis 1913 equalling 100.

This computation shows that during 1920 to 1922 prices received for Canadian export products were on a higher level than those paid for import products, though the margin was slight in 1922. In 1923 and 1924 conditions were reversed, import prices being on a higher level than export prices. 1925 and 1926 saw export price levels again mount higher than import price levels. Since high prices for our export commodities relative to prices paid by us for imports is a considerable factor in bringing about prosperous conditions, these index numbers are of considerable significance when studied in connection with the depression and revival which succeeded 1920. Moreover, the movement of the index numbers of export and import valuations tends to corroborate the general price trend revealed by wholesale price index numbers though the former, because of the nature of the data, move on a lower level.

Same Trend as Wholesale Prices

The index number of commodities entering into Canada's international trade, i.e., the combined index of exports and imports for the years 1920 to 1926 reveals practically the same trends as those shown in movements of wholesale prices. In 1924 export and import prices fell slightly while wholesale prices rose, due to the fact that some export prices in 1924 such as newsprint, groundwood pulp, etc., did not decline as much as domestic wholesale prices for the same commodities, and for that reason did not exercise the same offsetting effect on the rise in certain other groups of commodities such as vegetables and their products. Movements in the indexes of import and export prices may therefore be accepted as corroborating those indicated by the index numbers of wholesale prices.

In 1920 the index number for export prices was 229.7; by 1923 it had fallen to 136.8 but rose thereafter to 151.7 in 1925 and was 147.0 in 1926. The index for imports was 220.7 in 1920, 135.0 in 1922, 147.6 in 1923 and 138.9 in 1926. Since 1920 Canada's situation as regards import and export prices was worst in 1923 when the index for exports was 136.8 and that for imports was 147.6, and best in 1925 when the index numbers for exports and imports were 151.7 and 139.6 respectively. High prices for grain, flour and certain other commodities in 1925 gave the initial impetus to the wave of prosperity which has since ensued.

Farm Prices Recover

The low level of export prices pertaining to agricultural products during 1922-24 and the recovery in 1925. This is true of animal products as well as field products and in the case of the former the recovery in 1925 was due mainly to the higher export prices for cattle, cheese, butter and bacon obtained from Great Britain in 1925. In Fibres, Textiles and Textile Products the recovery from the slump after 1920 came in 1924 due to rising wool prices. Index numbers of Wood, Wood Products and Paper reflect the difficulties of the lumber markets which have characterized the last few years and also the easier prices of pulp and paper owing to increasing production. Index numbers for Iron and its products reflect progressively lower prices for automobiles. In the non-ferrous metal group index numbers move on a higher level than corresponding index numbers for wholesale prices. This is a good example of the influence of changing qualities or grades on the average prices of exports or imports. In this group there has been a change since 1913 in the direction of exporting a greater percentage of refined products as compared with crude metals in ore or matte. Consequently index numbers are higher in later years than they would be if similar grades had been the basis of the comparison.

Import index numbers of the vegetable products group were strongly influenced in 1923 and 1924 by high prices for sugar. Animal products moved in the main with the price of hides and skins which have been at low levels since 1920. In the fibres, textiles and textile products group both wholesale price and import price index numbers move in the same direction in most years but in some years the changing quality and greater variety of import commodities have caused the import index to move differently. The iron and steel group was strongly influenced in the case of imports also by prices of automobiles and their parts. Import index numbers of non-metallic minerals were brought down to lower levels during 1923, 24, 25 and 26 due chiefly to the influence of refined petroleum and bituminous coal prices.

The following table shows the changes in the index of export and import valuations between 1920 and 1926, the former being based on 50 and the latter on 60 items:

1913=100

	Exports	Imports	General
1920	229.7	220.7	225.7
1921	164.8	160.4	162.8
1922	137.8	135.0	136.5
1923	136.8	147.6	141.7
1924	139.6	142.0	140.7
1925	151.7	139.6	146.3
1926	147.0	138.0	143.4

Testing N.S. Gypsum's Value in Potato Culture

WOODSTOCK, N.B.—The development branch of C.P.R. in co-operation with Macdonald Agricultural College is conducting experiments on the farm of Donald Fraser, at Plaster Rock, to ascertain whether gypsum, of which there are large deposits, has special value in connection with potato culture. Members of the staff of the college are supervising field tests on the farm.

AIM AT MINIMUM WAGE FOR EVERY INDUSTRY IN B. C.

Experiment in Lumber Mills May Lead to Bigger Program

From Our Own Correspondent.

VANCOUVER.—British Columbia's experiments with social legislation have somewhat disturbed the industrial basis on which the province has been depending for a good many years, but so far without serious consequences. Many of the laws have been accompanied by increasing costs of operation, but the results have not been, in any case, as disastrous as had been predicted.

In spite of the prospects of the lumber industry that many mills would be sent to the wall by enforcement of the eight hour day, this prediction has failed to materialize except perhaps in the case of a few insecurely established concerns which possibly would have smashed anyway. When the minimum wage law was applied to the lumber industry last November there was a similar objection from the lumber industry and it was stated that if the new rate of pay was made compulsory the whole of the province would be severely affected by the wholesale suspension of operations in logging camps and mills.

However, the camps and mills are still in operation and the minimum wage law, as well as the eight-hour day law, appears to be on the provincial statute book to stay. Lumber operators point out that it is still too early to tell just what effect the minimum wage law will have on their industry and they state that, whether or not any mills or camps have been forced to suspend as a result of the law, the industry has not been prosperous and can ill afford to suffer what they regard as "an unnecessary burden."

The provincial government, however, appears to be satisfied with its program of social-industrial legislation and not in the slightest inclined to modify it, except for a few minor alterations that will make certain regulations more easily workable. These will be made at the next session of the legislature.

Forecast Far-reaching Step

The government, as a matter of fact, proposes to take an even more far-reaching step and apply the minimum wage to every industry.

"The lumber industry quarreled with us because we used it in an experimental sense, but our object was not to single out the lumber industry because of its treatment of labor, but because it provided the best opportunity of applying the law to a large and very important group of co-related manufacturing enterprises," said J. D. McNiven, deputy minister of labor, and chairman of the minimum wage board, discussing the situation with The Financial Post. "We are now working on plans for universal enforcement of the minimum wage, fixing what we believe to be a reasonable minimum for each main branch of endeavor."

When this preliminary work has been done and the board has made its necessary order, British Columbia will become the first province in Canada with a minimum wage applicable to every industry and business.

Say Sinking Fund Bonds Offer Greatest Stability

Better prices are usually obtained for securities having sinking fund provisions, says Flood, Barnes and Company.

The form that such a fund may take and how it is employed varies, but by the more general method it is devoted to the retirement of a portion of the issue year by year. Thus the equity behind the security continually increases. Also a steady market for them results and prices often advance as the sinking fund redemption date approaches.

Money from sinking funds may be used by a company to:

Purchase and cancel bonds of the issue;

Acquire, but keep alive, the bonds;

Or purchase and keep alive parts of its other issues;

Buy securities in other concerns.

AUSTRALIA FAVORS CANADIAN STYLE REAPER THRESHER

Massey-Harris Products Are Meeting With Good Demand

Made-in-Canada reaper threshers are favored by Australian farmers in preference to those manufactured in the country or imported from the U. S. This information is of importance to shareholders of the Massey-Harris Co., which has spent large sums of money in developing the Australian market for its products. The fact that they have now firmly established themselves in the Antipodes will no doubt mean an increasingly large number of orders from that source, which in turn will have a beneficial effect on earnings.

In his regular report to the Department of Trade and Commerce, Trade Commissioner D. H. Ross, says that formerly stripper-harvesters were most extensively used in cropping wheat and other cereals in Australia, but the advent of the massive Canadian reaper thresher, built expressly for Australian requirements, soon demonstrated its superiority over the old type of machine in all sorts of conditions of crop. Generally, the stripper harvester has been abandoned, and competing Australian manufacturers are now making machines of the reaper-thresher type owing to the increased demand.

Massey-Harris Product Favored

The Massey-Harris machine, which is most favored, is drawn by four horses and the power for threshing is supplied by an engine. So far this combination appears to be the most successful both in operation of the machine and the grain results obtained. An American and an Australian manufacturer are putting a similar machine with other attachments on the market, but so far they have not been very successful.

Owing to the method of compilation of trade returns, it is not possible to give an accurate estimate of these machines imported by Australia or exported to that country by Canada. During 1925-26, however, imports of threshers, which include the reaper-thresher, from Canada totaled £124,115, an increase of £6,950. It is reasonable to assume that the Massey-Harris Co. got the lion's share of this trade.

In addition to the reaper-thresher, Massey-Harris has also built up an excellent trade in other farm implements. The combine drill, which cultivates the land and sows the seed in one operation, has proven very popular. During the last year or two, and at present, the chief demand has been from the state of Western Australia, where vast areas of new land have been opened up for settlement. As in other lines of farming machinery, demand fluctuates from year to year.

MARITIME CONCERN OVER CUBAN SUGAR IS NOT WARRANTED

Survey of Situation Shows No Reason for Uneasiness

Some apprehension has arisen in the Maritimes over the present sugar situation on account of importations from Cuba, but a survey of conditions does not warrant any uneasiness. In its current issue, the Maritime Merchant points out that the sale of Cuban refined sugar has been increasing, and that it "has now come to be a very serious factor, if not a menace to our Canadian refining industry." While it is true that sugar imports are increasing, the fact should not be overlooked that Canadian refiners are manufacturing as much as they did a year ago.

In the first five months of the current year, sugar manufactured in the Dominion totaled 330,377,000 pounds, as compared with 345,314,000 in the same period last year, a difference of only 15,000,000 lbs., or about an average week's run. Moreover, production for May was nearly 33 per cent. greater than in the corresponding month of 1926. In the twelve months ended May last, imports totaled over $41,000,000, as against $34,000,000 in the preceding year. As far as the importation of raw sugar is concerned, quantity shows very little in this period. Furthermore, the index price of sugar and its products has advanced from 140.9 in June, 1926, to 152.7 for the same month this year. So that the increase in price accounts in a large measure for the higher import values.

Available Supplies Smaller

A survey of the sugar situation as at present, discloses the fact that there is little possibility of an over-supply. Stocks on hand in Cuba, according to the well-known authority, Willett and Gray, total only 2,121,235. Local consumption is estimated at roughly 75,000 tons, leaving 2,050,000 tons available for export. Heavy shipments have already been made to Europe and it is considered that market will take another 100,000 tons during the balance of the year, so that the quantity available for Canadian and American consumption is cut down to 1,750,000 tons.

It is interesting to note that insofar as Canada and the United States are concerned, imports of Cuban sugar have materially decreased this year, as compared with 1926. Last year, Cuba exported to the States 3,772,941 tons, while this year to date only 1,742,000 tons have gone forward. Canadian imports from that country totaled 104,823 tons last year. To date this year Cuba has exported to this country roughly 38,000 tons. On the basis of a further 62,000 tons for Canada and 1,820,000 tons for States, it is evident that demand will be in excess of the estimated Cuban supply.

In view of the foregoing, it is unlikely that Canadian refiners will have much to fear from Cuban competition in the domestic market. Cold weather has also interfered with consumption to a large extent and a spell of more seasonable weather will cause a sharp upward swing in demand, which will naturally benefit the Canadian manufacturers.

"To Him That Hath"

Royal Bank of Canada pass-books with a credit balance of $2 in each were presented to four Grimsby, Ont., public school children last term for "Care of teeth, cleanest appearance, etc." Three pass-books were won by the children of the manager of the Canadian Bank of Commerce.

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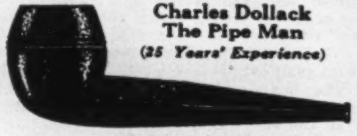

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CANADA BREAD STOCK MOVES UP TO NEW LEVEL

No New Developments to Warrant Sudden Rise

Interest in foodstuff securities, centred around Canada Bread during the week, the stock having advanced to a new high. In some respects this latest move has taken on the appearance of that which took place early in April last. At that time, various stories were going the rounds about mergers and absorptions, but it was merely incidental to the discovery by a large number of investors that the company was continuing to make good showing.

While a new crop of rumors have developed in the meantime, much the same situation exists to-day. It is possible that Maple Leaf Milling Co. may be losing control of the company, but this could not happen unless a number of shares were released by the latter. Canada Bread has developed into one of the most important outlets for the products of Maple Leaf and it is known that the directors are strongly opposed to any move to break control. Moreover, Canada Bread in turn controls the Canadian Bakeries, which has a widespread organization in the Western Provinces so that Maple Leaf is provided with a good market for all its mills.

Business Well Maintained

As far as the fiscal position of Canada Bread is concerned, the company has been maintaining its volume of business, and earnings are said to be on a better scale for the year ended June 30 last. Conservative management has always featured the company's operations and there is a disposition to keep the reserves at a good figure to prepare for contingencies and further expansion.

Since its inception in 1911, Canada Bread has acquired fourteen bread and cake making plants. The output of the company is over a million loaves a week, it serves 200,000 customers daily, and sells about $1,000,000 worth of cakes per annum. A large outlay of capital was made in 1926 in the purchase of five gas-heated traveling ovens, in order to bring its equipment thoroughly up to date.

GOODYEAR WILL PAY ON COMMON AT SEPTEMBER 30

This Move Will Follow Granting of Valuable Stock Rights

Following declaration of handsome rights to common shareholders of Goodyear Tire come well authenticated statements that the directors will put the common shares on a dividend basis at the end of the fiscal year. This will be September 30.

Some speculation as to the reason for the issuance of new stock at $1 a share is heard. This is the first time Goodyear common has ever been sold by the company at less than $100—par—a share. Company is believed to have set a nominal price on the shares in order to simplify book-keeping arrangements and to avoid a definite stock dividend. It is possible, too, that having paid cash—even if only $1 a share for their new stock—shareholders cannot be deemed to have received a stock dividend and will therefore escape taxation on the "rights."

The new issue was forecast by C. H. Carlisle, president and general manager, at the spring shareholders meeting when he indicated that if the scheme of capital reorganization then proposed was put through something would be done for common shareholders. Details of the present issue were forecast in The Post on July 1,

Directors of Goodyear Tire and Rubber Company, at a meeting held this week, decided to issue 1½ shares of common stock to the present holders at $1 a share.

As there are at present 53,000 shares of common stock outstanding, this will mean a distribution of about 79,000 shares at a purely nominal figure.

It is understood that the shares now created will come in for a dividend in the not distant future.

When the 1½ new common shares of Goodyear Tire and Rubber Company of Canada are distributed to stockholders for each share held, at a nominal price of $1 per share, there will be 133,000 shares outstanding. This bonus of 150 per cent. in stock is a generous return to holders of junior stock, and has repaid them for their long wait.

The amount earned by the company in the common stock for the year ended September 30, 1926, was $1,097,365. On the 133,300 shares presently to be outstanding this was equal to $8.23 per share. It is understood that the company will do at least as well for the current year.

The next question is what dividend will be paid on the common stock? Action will be taken later this year, and as high as $5 per share per annum is mentioned.

Goodyear common is being closely held at around 170 bid. On the basis of 170 for 1 share, the cost of 2½ shares would be approximately 68. Granted a dividend rate of $5, the yield would be 7.35 per cent. Even with a dividend rate of $4 the yield would be almost 6 per cent.

St. Catharines Plant Involved in Merger

Merger is announced from New York of the Power Specialty Company and the Wheeler Condenser and Engineering Co. These firms manufacture furnaces, oil and pulverized coal equipment, etc.

Among the plants acquired by the new Corporation, which will be known as the Foster Wheeler Corporation, is one at St. Catharines, Ont.

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo.-Ft. Erie Bdge 7s '55	106	108
Do., 8s '45	106	107½
Buff Gen Elec 1st 5s '39	103½	...
Bfo N & E Pow 5s, '30	102	104
Lockport L H & P 5½ '54	102¾	103¾
N. F. 1st & Com. 6s 1950	105	106
Niagara Falls Pw. pf.	28	28¾
Niag. Lock & Ont. pf.	113	115

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Waterloo Has 8 Insurance Company Head Offices

Waterloo, Ontario, is the only town of its size anywhere in the world that is the headquarters of eight distinct and flourishing insurance companies.

Waterloo out-Hartfords Hartford as the insurance centre.

This is one of the interesting facts about the financial and insurance history of this interesting Western Ontario community, brought out in an article written for the Waterloo Chronicle by Thomas Hilliard, the veteran president of the Dominion Life Assurance Company, one of Waterloo's successful organizations.

"In comparison with other towns of its size, whether in Canada or the United States, the town of Waterloo, Ont., makes a favorable showing in respect to the number, magnitude and variety of its manufacturing industries, their steady growth and prosperity and the friendly co-operation of employers and employees. The high standard of comfort enjoyed by the average citizen as shown by the excellence of the homes of the people is also worthy of mention.

"The first insurance company to be started in Waterloo was the Waterloo Mutual Fire Insurance Company which commenced business in 1863, under the management of the late C. M. Taylor, who was its promoter and retained the management till his death in 1899. The company employs a staff of about 20 persons at its head office, has acquired assets of about $1,600,000, and has always held the regard and confidence of the community due to the strict integrity of its management.

Farmers' Mutual Company

The North Waterloo Farmers' Mutual Fire Insurance Company was founded in 1874 for insurance of farm property only. It confines its business to Waterloo County and a limited district adjacent thereto, and has been quite prosperous, having assets of about $1,186,000.

"In 1875 some of the directors of the Waterloo Mutual Fire Insurance Company decided that there was a broader field for fire insurance backed and secured by a paid stock capital than on the purely mutual system, and founded the Mercantile Fire Insurance Company which carried on business successfully for a number of years, when it was amalgamated with another company and the head office was afterwards removed to Toronto.

"The first life insurance company to be started in Waterloo was the Ontario Mutual Life Assurance Company. An interesting requirement in connection with the granting of a charter to the new company was that it secure 500 provisional policyholders before business could be commenced. This was accomplished in 1869 under the leadership of Moses Springer, and in February, 1870, the company began business with $500,000 of insurance in force. In 1878 a Dominion charter was secured and in 1900 the name was changed to The Mutual Life Assurance Company of Canada, by Act of Parliament. The company has the distinction of being the only mutual life company in Canada. The promoters were chiefly directors of the Waterloo Mutual Fire Insurance Co. Some of the leaders were I. E. Bowman, M.P., who held the office of president from 1870 to 1897, father of C. M. Bowman, ex-M.P.P., present chairman of the board, Moses Springer, Dr. Walden and Cyrus Taylor. After some initial steps had been taken they secured the services of the late William Hendry as general manager, under whose management with Mr. Bowman as president and those who succeeded them, the company made steady progress and now has an annual income of over $18,000,000, has business in force of over $368,000,000, and holds assets for the protection of its policyholders of over $80,000,000. It gives employment to about 230 persons at the head office besides many hundreds of agents throughout all parts of Canada. It is putting an addition to its head office this summer to cost half a million. When completed the head office will represent a value of about $1,300,000. The present officers are: President, Hume Cronyn; chairman of the board, C. M. Bowman; general manager, W. H. Somerville; secretary, H. M. Cook.

Dominion Life

Twenty years later, in 1889, the Dominion Life Assurance Company opened its doors for business. Amongst those interesting themselves in the formation of this company were Messrs. Simon Snyder, John Shuh, Chr. Kumpf and Thos. Hilliard. The latter undertook the task of selling the necessary stock, getting the charter through parliament and organizing the company of which he was appointed managing director. Valuable aid in selling stock and getting the Act of Parliament put through was given by Messrs. Innes, M.P., Bowman, M.P., Trow, M.P., McMullen, M.P., and Cargill, M.P. These gentlemen, with a few others, constitute the first board of directors. The total cost of organization, including stationery, necessary printed forms, cost of Act of Parliament and cost of sale of stock totalled $1,238. This is but a sample of the economy which has characterized all the insurance companies in Waterloo. The Dominion Life has now about $100,000,000 of business in force, net assets of about $16,000,000, employs about 95 persons at head office, besides hundreds of salesmen in all parts of Canada. The present officers are: President, Thos Hilliard; 1st vice-president, E. F. Seagram; managing director, F. S. Kumpf; secretary, J. K. Pickett.

Ontario Equitable Organized

Thirty-one years elapsed between the founding of the Dominion Life and the next entrant into the insurance group in Waterloo. The Ontario Equitable Life and Accident Insurance Company, under the guidance of S. C. Tweed, opened its doors for business in 1920. It achieved success with unusual speed. It absorbed the Policyholders' Mutual of Toronto, and later the Re-Insurance Co. of Canada, and in the brief space of seven years had in force $35,000,000 at risk. This company specializes in non-participating business and has branches in all provinces of Canada. It has the distinction of having secured a considerable volume of business in much shorter time than any of its predecessors, and that without impairing its capital or endangering its solvency. The present officers are: President and managing director, S. C. Tweed; secretary, M. J. Smith.

Merchants Casualty in Town

The Merchants Casualty Co. came to Waterloo in 1924, being brought to this town by some of our leading financial men. E. F. Seagram is president; C. A. Boehm, vice-president, and R. E. Patterson is general manager. As its name indicates it specializes in insurance against sickness and accidents and automobile insurance, and continues to gain steadily in volume of business and resources. Its income in 1926 reached $739,233, and its assets were nearly half a million dollars.

Newest Company is Pilot

The last entrant into the insurance circle came early this year. It is the Pilot Automobile and Accident Assurance Company. It protects its clients against all kinds of automobile liabilities and is also licensed to write insurance against sickness and personal accident, and general casualty lines. No doubt, under careful management this company will do its share towards maintaining the splendid record made by its predecessors in the insurance business in Waterloo. The president is Hon. W. D. Euler, M.P., and the general manager is D. McIntosh.

This completes the list of insurance companies whose head offices are in Waterloo, but we may be permitted just to mention in passing the existence of another financial institution which, though not an insurance company, yet owed its inception to the fact that in 1912 the directors of the Dominion Life found themselves somewhat embarrassed by their inability to supply funds fast enough to meet the demand coming to them from the Canadian West for money to be loaned on mortgages. It was thought that by forming a loan company with power to take deposits, this demand might be met in some measure. It was decided that Thos. Hilliard, president of the Dominion Life, should be authorized to organize such a company and almost all the directors subscribed for substantial amounts of stock. The result was the establishment in 1912 of the Waterloo Trust and Savings Company. It has a paid-up capital of $750,000 and a surplus of $250,000. It has two branches, one in Kitchener and one in Galt. Besides the loan and savings business it does a large and rapidly growing executor business, managing very efficiently and at small cost the estates of persons who employ its services by nominating the company either as sole executor or co-executor in their wills. The president is Thos. Hilliard, and P. V. Wilson is the managing director.

The annual income of all these financial corporations aggregates about $25,000,000, with total assets of about $110,000,000.

This completes the list of financial institutions having their birthplace and home in Waterloo, and we believe justifies its claim to be the only town of its size in the world which can show such a record.

The total life insurance written in Canada in 1926 was $823,954,205 and total business in force $4,609,902,248, as compared with $15,000,000 in 1867.

The article appears in the Waterloo Chronicle's Jubilee number which is published in the form of a paper covered book.

Lord Nelson Directors Undismayed by Blow

Although the Dominion cabinet has refused to authorize the investment by the Canadian National Railways of $250,000 in the new Lord Nelson Hotel, Halifax, the directors, headed by H. R. Silver, president, announce their intention of carrying on with the financing. The C. P. R. had promised $100,000 if the C. N. R. came in. Large amounts were to be raised locally. All of these subscribers would take preferred shares.

H. R. Bain & Company, Toronto, have underwritten the first mortgage bond issue, subject, it is believed, to the success of the preferred stock campaign.

INVESTMENTS

Public Utility

Bell Telephone Co. of Canada	5%	102.50	4.85%
Canada Northern Power Corp. Ltd.	6½%	103.00	6.20%
Canadian Pacific Railway	4½%	96.00	4.85%
East Kootenay Power Co., Ltd.	7%	105.00	6.46%
Gatineau Power Company	5%	96.75	5.20%
Manitoba Power Company, Ltd.	5½%	100.00	5.50%
Montreal Island Power Company (Carrying warrants to purchase 2 shares Common with each $1,000 bond)	5½%	101.00	5.43%
Montreal Tramways Company, Ltd.	5%	99.75	5.02%
Montreal Tramways Company, Ltd.	5%	96.25	5.25%
Montreal Light, Heat & Power	5%	100.50	4.95%
Northern Canada Power, Ltd.	6%	102.75	5.75%
Northwestern Utilities, Ltd.	7%	102.25	6.75%
Ottawa & Hull Power Co., Ltd.	6%	105.00	5.60%
Ottawa River Power Co., Ltd.	6½%	104.00	6.20%
Southern Canada Power Co., Ltd.	5%	99.50	5.05%
Winnipeg Electric Co., Ltd.	6%	101.00	5.90%
Winnipeg Electric Co., Ltd.	5%	100.00	5.00%

Industrial

Aluminum Company of America	5%	100.00	5.00%
Canada Paper Company	6%	101.00	5.90%
Canada Steamship Lines	5%	100.25	5.50%
Canada Steamship Lines	6%	99.00	6.15%
St. Lawrence Paper Mills, Ltd.	6%	99.00	6.10%
St. Lawrence Paper Mills, Ltd. (Cum. warrants)	6½%	101.50	6.26%
Windsor Hotel Company	6½%	105.50	5.95%

Preferred Stocks

Eastern Dairies, Ltd.	7%	99.00	7.07%
Canada Northern Power Corp., Ltd.	7%	100.00	7.00%
East Kootenay Power Co., Ltd.	7%	100.00	7.00%
Ottawa & Hull Power Co., Ltd	7%	100.00	7.00%
Power Corporation of Canada, Ltd.	6%	96.50	6.22%

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Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of July 20	97.9	95.0
Week of July 13	97.9	96.1
Month of July, 1926	77.6	74.5
9 Bank Stocks		
Week of July 20	$257	$254
Week of July 13	257	253
Month of July, 1926	226	223
10 Public Utilities		
Week of July 20	110	107
Week of July 13	110	108
Month of July, 1926	94	91

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	3	4	2	9
Paper	9	3	2	14
Steel	10	8	22	40
Foodstuffs	12	12	22	46
Utilities	5	9	15	29
Tractions	7	1	8	16
Industrials	12	15	32	59
Textiles	7	3	6	16
Total	65	55	109	229

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Toronto.

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*

June 27, 1927,
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I consider this book a very helpful reference to investors and you are to be commended for its publication.

Yours truly,
*

July 1, 1927,
Mahone Bay.

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Enclosed herewith find one dollar ($1.00) in payment of copy of "Survey of Corporate Securities" which you sent me a few days ago.

The book is very much more comprehensive than I expected to find it and think it indispensable to any one interested in Canadian financial institutions.

Yours truly,
*

*Name on request.

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ALABASTINE CO. REORGANIZATION ON WIDE SCALE

First Mortgage Bonds To Be Issued to Aid Consolidation

New financing will shortly be undertaken in connection with the reorganization of the Alabastine Co., and its subsidaries. Full details are not available at present, but it is understood that the Royal Financial Corp.; will bring out a new first mortgage bond issue on this company sometime during the next week.

At a meeting of the shareholders, held at Paris, Ont., it was decided to surrender the charter of the Alabastine Co., and also the charters of its subsidiary companies, the Ontario Gypsum Co., and the Ontario Builders' Supplies, Ltd. A new company to be called the Canada Gypsum and Alabastine Co., will be formed to take over the business of the three companies mentioned, also the business of the Nova Scotia Coal and Gypsum Co., with gypsum deposit at Mabau, Nova Scotia.

A Dominion charter has been secured for the new company, the head office of which will remain in Paris. The capital structure will consist of the coming issue of first mortgage bonds and 100,000 shares of common stock with no par value. The shareholders in the old company are to receive eight shares in the new company for one in the old, according to reports.

Peplar Now President of Ontario Bakeries

Col. S. B. Peplar has been appointed to the presidency of the Ontario Bakeries, to fill the vacancy caused by the death of Sir John Willison. Mr. Peplar will continue in the capacity of manager of this company, which operates nine plants in Ontario.

Mr. Peplar has had many years' experience in the baking business, being formerly general manager of the Confederated Bakeries of Ontario.

NEW TORONTO TERMINAL OF CANADA STEAMSHIP COST COMPANY $2,000,000

(Continued from page 1)

would be a day excursion service without stateroom accommodation.

Keels will not be laid for this or any other boats for this service until the fall of 1928 as it will be necessary to construct the new vessels either on the Upper Lakes and they cannot be brought into Lake Ontario until the Welland Canal is opened in 1930.

Package Freight Revenues Gain

The big increase in C.S.L. business is, however, coming in package freight. The company is making an intensive drive for this type of business and has spread its traffic organization throughout Europe for this purpose. Freight is now coming into Ontario from European points under bills of lading issued for the through journey by the C.S.L. Formerly freight from Europe was usually consigned to Montreal or Atlantic ports where the railways picked up most of it. In fact one or other of the railways usually was mentioned in the bill of lading to receive the freight. Now consignments are made to the Canada Steamship Lines in large number and the Toronto freight warehouses of the company suggest those of an ocean port, with chests of tea from India, Norway, furniture from France and toys from Germany coming off the boats on the Great Lakes stage of their journey after transhipment at an ocean port to a C.S.L. package freighter.

Stewart, McNair & Company, members of the Toronto Stock Exchange, announce that Herbert A. Telfer has become associated with their firm. Mr. Telfer was general manager of the Telfer Biscuit Company, Toronto, for over 15 years.

B.C. Mining Stocks

Special wire to The Financial Post.

Vancouver, B.C.—Indian Mines shares are in good demand, 21,000 shares were traded in this week the high price being seven and the low six cents, closing at 6¾ to 7¼. B. C. Silver was firm at $1.80 to $1.90. Dunwell 1.36 to 1.33 and closed 1.32 to 1.34. The balance of the list was firm but quiet.

Stock Market Record

WEEK ENDING JULY 19

	Div. Rate	Yield July 18	High for wk.	Low for wk.	Close July 19	Close July 12	Sales for wk.	Range, 1927 High	Low
Banks—									
Commerce	12+1	4.97	263½	260	260	263	129	263½	228
Dominion	12+1	5.34	243	240	243	241	232	244	217
Can. Nationale	10	5.88	170	170	170	170	95	170	160½
Imperial	12+1	5.67	234	227	227	234	37	236	214
Montreal	12+2	4.57	306	304	305	303	151	306	272
Nova Scotia	16	4.71	340	339½	339½	339½	54	341	298
Royal	12+2	4.84	289	285	287½	289	207	291	257
Standard	12	5.33	227½	217	227	217	123	227½	196
Toronto	12	4.81	249	249	249	250	16	250	227
Paper—									
Abitibi, com. (no par)	5	5.20	99	94	99	94	5831	99	82
Do. pref.	7	6.03	..	...	...	...	...	119	113
Belgo-Can., pref.	7	6.79	103	103	103	103	62	105	101
Brompton (no par)	$2	5.55	36¾	34⅞	35⅞	35	2537	36¾	31
Fraser, pref.	7	7.21	97	97	97	96½	10	99⅞	96¼
Inter. Paper, c. (no par)	$2.40	4.82	50⅝	46⅝	49¾	47	43000	60⅞	39½
Laurentide	6	6.38	95⅝	93	95½	94½	3646	110¾	90
Price Bros., com.	2	3.81	53	52½	53	52¼	40	63	51⅛
Do. pref.	6½	6.40	101½	101	101	101½	41	104	100
Smith, Howard, com.	.	...	59	59	59	60	10	68¾	59
Do. pref.	8	7.17	111½	111½	111½	110	5	112	108½
Span. River, com.	7	7.07	102	99	102	98½	676	102¾	97½
Do. pref.	7	6.06	115½	114½	115½	114	125	116½	110¼
Wayagamack (no par)	$3	4.83	62	60¾	61	62	790	62	46½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	⅝	⅝	⅝	⅝	293	1⅝	½
Do. 1st pref.	.	...	22	22	22	22½	100	29¼	10
Do. 2nd pref.	.	...	1½	1½	1½	2	150	4	1
Can. Car & Found., com.	.	...	36	35½	36	35	80	50¼	35
Do. pref.	7	7.91	89	87	89	87	135	94½	86¼
Can. Fairbanks, pref.	6	6.66	..	...	...	...	...	90	80
Can. Forgings, com.	.	...	..	...	...	...	...	27	18
Do. pref.	.	...	..	...	...	...	...	87½	66
C.G.E., com. (par $50)	.	...	..	...	...	...	...	60	49
Do. pref. (par $50)	7	5.98	59	58	58	58½	166	61	45
Canada Iron, com.	.	...	..	...	...	...	...	15	12
Do. pref.	4	7.27	55	55	55	60	60	60	42
Can. Locomotive, com.	.	...	..	...	...	...	...	48	40
Do. pref.	7	8.43	83	83	83	84	5	89	83
Dominion Bridge	4+2	3.36	182	175½	181½	178	1365	193½	116¾
Dominion Coal	.	...	77	77	77	76	25	85	69
Dominion Iron, pref.	.	...	..	...	...	...	...	5	1½
Dom. Radiator, pref.	7	6.96	..	...	...	...	...	101¾	100
Dom. Steel Corp., pref.	.	...	32	31	31	30	130	32	20
Ford Motor	15	...	..	...	...	...	...	475	436
Gould Pumps, pref.	7	7.00	..	...	...	...	...	100	100
Kelvinator, c. (no par)	.	...	9	9	9	10	135	15	9
Do. pref.	7	8.09	..	...	...	...	...	95	86½
Massey-Harris, c. (no par)	.	...	39	35¾	38¼	36	20366	42¾	29
Do. pref.	7	6.40	109½	108¾	108⅞	109	253	109¾	103½
McKin. Ind., c. (no par)	.	...	..	...	...	...	...	25½	15
Do. pref.	7	7.42	..	...	...	...	...	97	93½
Do. Vot. Trust	.	...	..	...	...	...	...	26¾	15
Ontario Steel, com.	4	4.32	..	...	...	...	...	94	73
Do. pref.	7	6.66	..	...	...	...	...	105	100
Page Hersey, c. (no par)	$3	4.28	71	69	71	69½	1194	75½	55½
Do. pref.	7	4.93	143	139	143	140	260	150	116
Pressed Metals, com.	75c	...	..	...	...	...	...	46¾	34¼
Do. pref.	7	7.77	..	...	...	...	...	90	85
Russell Motor, com.	3	5.00	60	60	60	60	105	60	52
Do. pref.	7	7.27	99	96¼	96¼	99	25	99	90⅛
Sawyer-Massey, com.	.	...	..	...	...	...	...	1	1
Do. pref.	.	...	..	...	...	...	...	22	5
Steel of Canada, com.	7	5.28	134	132½	134	133	466	137½	117
Do. pref.	7	4.96	141	141	141	139	10	141	127
Milling and Foodstuffs—									
Alta. Pac. Gr., c. (no par)	.	...	21½	21⅛	21½	21½	15	27¼	19½
Do. pref.	7	8.04	87½	86	87	88	121	92	85
Arnolds, com. (no par)	.	...	14	13	14	12¾	255	26	10½
Do. pref.	7	8.43	..	...	...	...	...	95	83
Atlantic Sug., c. (no par)	.	...	26¾	25	25	26	843	32	21¾
Do. pref.	.	...	..	...	...	...	...	101¼	90
B.C. Fishing, c. (no par)	$1.25	6.57	19	18½	18⅞	18⅞	1625	22	14⅝
Do. pref.	7	8.43	84	82	82	83¼	152	90	79
Can. Bak., c. (no par)	.	...	28	28	28	27	10	38½	26
Do. pref.	7	7.01	99¾	99½	99½	99	30	102	97
Can. Bread, c. (no par)	$5	4.23	119	110	114	105	672	119	90
Do. pref. (A)	7	6.03	116	115½	116	115	30	116½	108½
Do. pref. (B)	7	6.48	108	107½	107½	108	85	112¼	103
Can. Canners, com.	.	...	50	48	50	50	232	63½	21
Do. pref.	5	5.55	91	89	91	88¼	241	97	76
Canadian Salt	8	6.06	..	...	...	...	...	136	123
Christie Br., c. (no par)	$1.20	1.87	64	64	64	64	200	66	38
City Dairy, c. (par $25)	3+1	3.22	125	120½	120½	115	123	126	79
Do. pref.	7	5.83	..	...	...	...	...	121	112
Cuban Can. Sugar, com.	.	...	1½	1½	1½	1½	25	5	1½
Do. pref.	.	...	27	27	27	27	22	37	27
Wm. Davies (A) (no par)	.	...	40	39	40	38½	740	45	25
Do. (B) (no par)	.	...	12	12	12	12½	45	19½	9
Dominion Stores (no par)	$2.40	2.92	82½	79	82½	80	908	85½	65
Do. Rights	.	...	..	...	...	...	...	4	2¾
Ham. Dairies., c. (no par)	.	...	29	29	29	27	27	33	24
Do. pref.	7	7.21	97	96	96	97½	10	98½	96
Inter. Milling, pref.	7	6.66	105	105	105	105	20	107	104
Lake of Woods, com.	12	8.57	140	140	140	140	75	160	130
Do. pref.	7	6.25	..	...	...	...	...	117	110
Loblaw, com. (no par)	$1.25	2.50	50	49	49½	49	227	51	48
Do. pref.	7	6.36	..	...	...	...	...	111	107
Maple Leaf Mill., com.	.	...	61	52½	61	52	270	73⅛	49
Do. pref.	7	7.36	95½	95	95	96	9	101¼	94
Ogilvie Fl., c. (no par)	5	1.83	275	273	273	278½	40	290	205
Do. pref.	7	5.73	..	...	...	...	...	125	120¼
Pure Gold Mfg. (no par)	$1.50	7.14	21½	21½	21½	21½	25	21½	19⅛
Shred. Wheat (no par)	$3	4.59	65½	65¼	65¼	66¾	15	70½	55
St. Law. Flour, com.	.	...	29	28½	28½	30	25	31½	28
Do. pref.	7	8.23	..	...	...	...	...	85	80
Viau Biscuits, c. (no par)	.	...	..	...	...	...	...	26	18
Do. pref.	7	7.77	..	...	...	...	...	92½	83½
W. Can. Fl., c. (no par)	$1.40	5.60	24⅞	24⅞	24⅞	25	10	29½	22
Do. pref.	6½	6.43	101	101	101	101	10	103¼	100
West. Groc., c. (no par)	$1	...	..	...	...	...	...	29	18
Do. pref.	7	9.42	74¼	74¼	74¼	78	20	84	74¼
Utilities—									
Bell Telephone	8	5.36	149	148	148	148	712	158½	137
Calgary Power	.	...	..	...	...	...	...	50	50
Consumers Gas	10	5.55	180	178	180	178½	218	182	171½
East Koot. Pr. (no par)	.	...	..	...	...	...	...	29¼	26
Do. pref.	7	7.36	95	95	95	97	2	98½	95
Inter. Util. (A) (no par)	$3.50	8.97	39	39	39	40	215	42	28
Do. (B) (no par)	.	...	..	...	...	...	...	7⅝	4½
Jamaica Pub. Ser., pref.	7	7.00	..	...	...	...	...	100¼	97
Laurentide Power	5	4.67	107	107	107	107	85	120	107
Mackay, com.	7	6.19	113	110⅛	113	110½	167	127½	108
Do. pref.	4	5.79	69	69	69	69	15	74	68¼
Mexican Light, com.	.	...	..	...	...	...	...	44	27
Do. pref.	.	...	..	...	...	...	...	120	77¼
Mont. L H & Pr. (no par)	$2	2.41	83	81	82	82½	1464	85¾	68⅛
Montreal Teleg. (par $40)	8	5.20	51¼	51	51	51½	30	51½	49
Nor. Mexico Pr., com.	1	...	..	...	...	...	...	83	42
Do. pref.	7	7.56	..	...	...	...	...	93	82½
Ot. & Hull Pr., c. (no par)	.	...	..	...	...	...	...	28	26
Do. pref.	7	7.07	99	99	99	97	5	99½	96
Ottawa L. H. & Pr., com.	6	5.66	106	106	106	108	4	108	98½
Do. pref.	6½	6.28	103½	103½	103½	107	10	107½	102
Quebec Power, com.	6	2.32	265	252	261	265	1159	311	190
Shawinigan (no par)	$2	2.56	79	75⅞	78⅞	79	7409	93¾	67
So. Can. Pr., c. (no par)	$2	2.15	93	93	93	92	5	97	85
Do. pref.	6	5.97	100⅝	100	100	100	52	102½	99½
Transportation—									
Can. Pacific Rly.	10	5.46	185	182	185	182½	87	190	166
Can. Steam., c. (no par)	.	...	37½	36¼	36¼	37½	15	42	35
Do. pref.	6	6.70	90	89	90	90	333	94¾	82½
Do. voting	.	...	..	...	...	...	...	37½	32½
Tractions—									
Barcelona (par $50)	1	...	55	48⅝	55	49	580	55	33½
Brazilian, com.	6	3.59	168⅛	158½	168⅛	162	46972	172	102½
Do. pref.	6	4.34	140	133	140	134½	2485	143½	104
Detroit Un. Rly.	.	...	..	...	...	...	...	5	2
Duluth-Superior	$2	7.69	26	26	26	26	10	30⅝	25
Illinois Trac., pref.	6	6.09	98½	98½	98½	98½	1	98½	98½
Minneapolis S. S.	.	...	43½	43½	43½	42⅛	100	43½	42½
Mexican Trams.	.	...	20	20	20	20	4	21	19¼
Montreal Trams.	10	5.40	..	...	...	...	...	200	169
Ottawa Traction	4	5.97	..	...	...	...	...	70	64
Porto Rico Rlys., com.	2	2.80	..	...	...	...	...	70⅝	59
Do. pref.	7	7.29	96	96	96	95½	15	96⅛	90
Twin City, com.	4	7.54	55	50	55	51	1169	66	48⅝
Do. pref.	7	6.86	..	...	...	...	...	101	100
Winnipeg Elec., com.	1	...	73	71¾	73	72	203	79¾	60⅝
Do. pref.	7	6.73	104	103	103½	104	55	105	100⅝
Textiles—									
Can. Conn. Cotton, pref.	4	8.98	44½	44½	44½	44	30	50	36
Can. Converters	7	7.29	96	95	96	94	90	107½	92
Can. Cotton, com.	8	6.45	..	...	...	...	...	132	120
Do. pref.	6	6.09	98½	98	98	98½	15	100	95
Can. Woollens, com.	.	...	8	8	8	8	5	10	6
Do. pref.	.	...	60	59¾	60	60	23	63½	59¾
Cosmos Imp., c. (no par)	.	...	26¼	26	26	24½	1390	27	13
Do. pref.	7	7.07	99	98½	98¾	99	81	101	91¼
Dom. Textile, c. (no par)	$5	4.34	115½	114½	114½	114	253	120⅝	105
Do. pref.	7	5.73	122	122	122	121	21	122	117
Monarch Knitting, com.	.	...	..	...	...	...	...	7½	7½
Do. pref.	.	...	52	51	51	52	15	54	49
Montreal Cottons, com.	6	5.21	..	...	...	...	...	117	110
Do. pref.	7	6.14	115	114	115	114	30	118	114
Penmans, com (no par)	$4	5.63	72½	71	71	71	40	79	70
Do. pref.	6	5.82	103	103	103	102	50	105	101
Wabasso Cotton (no par)	6	6.52	92½	92	92	92	60	116	84
General Industrials—									
Amer. Sales, c. (par $20)	4	6.61	61½	60½	60½	61	145	75	60
Do. pref.	7	6.93	101	100¼	100¼	101	24	102	97½
Asbes. Corp., c. (no par)	.	...	23½	23	23	23	860	25	20
Do. pref.	7	7.97	88	87	87⅞	88	722	90	82¾
Brant. Cd., pf. (par $25)	8	9.19	21¾	21½	21½	21¾	233	25	21
Building Products, pref.	7	7.14	..	...	...	...	...	98	93½
Burt, F. N., c. (par $25)	$3	4.91	61	60	61	60	60	66	56½
Canada Cement, com.	6	4.09	146½	145¾	145¾	146	351	153½	124½
Do. pref.	7	6.03	118¾	116	118	120	92	121½	116
C. Ind. Alc. (no par)	$1.28	4.00	32⅝	30½	32	31	8781	34½	21¼
Canadian Oil, com.	.	....	23½	23½	23½	24	40	24⅞	23¾
Do. pref.	7	6.03	116	116	116	120⅛	1	120⅛	115½
Crow's Nest Coal	6	10.34	58	58	58	60	5	71⅛	58
Dom. Glass, com.	7	5.95	118	117	118	117	153	125½	104
Do. pref.	7	6.14	114	114	114	114	5	115	111¼
Dom. Rubber, pref.	7	...	..	...	...	...	...	x87½	80
East Theat., c. (par $25)	.	...	..	...	...	...	...	30	24
Do. pref.	7	7.52	..	...	...	...	...	97	92½
Famous Players, com.	.	...	30½	30½	30½	31	20	31	20
Do. pref.	8	8.31	96½	95½	96	96½	105	101	93½
Gilman, com.	6	5.45	..	...	...	...	...	112	110
Do. pref.	7	6.08	115	115	115	116	45	125	110
Goodyear Tire, pref.	7	7.01	100	99	100	99	116	109	94½
Hayes Wheel, c. (no par)	.	...	31	29½	31	29½	434	34	27¾
Do. pref.	7	7.69	..	...	...	...	...	96	91
Holt, Renfrew, com.	.	...	..	...	...	...	...	43	43
Do. pref.	7	7.60	..	...	...	...	...	92	85
Hunt's, Ltd., c. (no par)	.	...	24½	24	24	25	60	25¼	20
Do. pref.	7	7.60	92	92	92	92	5	95	90
King Edward Hotel	$1	...	42½	40	42½	42	75	60	20
Lake Ont. Brew.	50c	...	26⅝	24	26	25	1113	27	24
Laura Secord, c. (no par)	.	...	34	33	34	33	130	35	26
Do. pref.	7	6.42	109	108½	109	108¾	145	112	102
Lyall Construction	.	...	30	30	30	32	10	45¾	25
Loew's, com.	.	...	..	...	...	...	...	47	38
Do. pref.	7	6.84	..	...	...	...	...	105	96½
Muirheads (no par)	.	...	..	...	...	...	...	9¾	9
Do. pref. (par $10)	7	6.25	..	...	...	...	...	11¼	11¼
Nat. Brew., c. (no par)	$4	5.75	70¾	69	70	71	855	73½	65
Do. pref.	7	6.48	108	108	108	107	20	110	105
National Brick, com.	.	...	..	...	...	...	...	10	8
Do. pref.	7	...	..	...	...	...	...	81	56
Pacific Burt, com.	6	6.18	..	...	...	...	...	100	87
Do. pref.	7	6.48	108	108	108	107½	15	108⅛	102
Port Hope Sanitary, com.	3	2.14	..	...	...	...	...	140	125
Do. pref.	7	6.54	..	...	...	...	...	108	90
Rogers, Wm., com.	.	...	..	...	...	...	...	80	64.s
Do. pref.	7	7.00	100	100	100	100	33	102	92
Seagram (no par)	.	...	22¾	22	22½	22¼	2120	28⅞	15
Sher-Williams, com.	6	3.63	..	...	...	...	...	170	142
Do. pref.	7	5.93	..	...	...	...	...	120½	117
Standard Chem., pref.	.	...	..	...	...	...	...	20	15
Sterling Coal	4	13.33	..	...	...	...	...	36	30
Tooke Bros., com.	.	...	..	...	...	...	...	x8	8
Do. pref.	7	8.33	..	...	...	...	...	72	68¼
Tuckett Tobacco, com.	4	5.31	..	...	...	...	...	75½	69
Do. pref.	7	6.60	..	...	...	...	...	107	103¾
Woods Mfg., com.	.	...	..	...	...	...	...	46	39
Do. pref.	7	9.18	..	...	...	...	...	89	76
Trust and Loan—									
Can. Landed (par $50)	10+1	5.40	101½	101½	101½	101	13	101½	94
Can. Permanent	12	5.40	222	221	221	222	16	223½	216½
Colonial Invest. (par $10)	6	...	5	5	5	5	9	7	5
Huron & Erie	7+½	4.96	..	...	...	...	...	152⅛	139
Landed Banking	9	5.23	..	...	...	...	...	172	161
Mont. Loan (par $50)	12+1	6.91	..	...	...	...	...	52¾	47
National Trust	12	4.78	251	250	251	250	19	255	232
Ontario Loan (par $50)	12	5.12	..	...	...	...	...	117	111
Real Estate Loan	7	6.86	..	...	...	...	...	105	100
Toronto Gen. Trusts	12	4.91	..	...	...	...	...	246	220
Toronto Mtge. (par $50)	10+1	5.37	..	...	...	...	...	103½	100
Union Trust	7	6.19	113	112½	113	110	50	113	104
CURB AND UNLISTED MARKETS									
Anticosti, pref.	7	7.12	..	...	...	...	...	98¾	98
Attendu Engine (par $1)	.	...	17	16	17	17	97	35½	14
B.C. Oilfields (par $5)	.	...	..	...	...	...	...	2⅝	2
Beacon Oil	.	...	17	16½	16½	16¾	130	20¾	15
Belding, com.	6	8.57	..	...	...	...	...	88	70
Do. pref.	7	7.14	..	...	...	...	...	100	98
Brading Brewery (no par)	.	...	20	20	20	28½	1	35½	20
Brit. Amer. Oil (no par)	80c	3.33	24¾	23½	24¼	24½	3834	28	20
Brew. & Distil. (par $5)	5	...	..	...	...	...	...	6½	4½
Can. Brewing (no par)	.	...	27¼	26¾	27⅛	26¾	125	30½	23
Can. Bronze, c. (no par)	.	...	..	...	...	...	...	50¼	43
Do. pref.	7	7.10	100¼	98½	98½	100	15	101	98½
Can. Celanese (no par)	.	...	73½	72	72½	65	2081	73½	52¾
Do. pref.	.	...	..	...	...	...	...	92	88
Carling Brew. (no par)	.	...	25¾	24	25	24	1840	28½	22⅞
Can. Light & Power	.	...	38½	35	38½	35	31	55	20
Can. Nor. Pr., c. (no par)	.	...	53½	53½	53½	53½	3	53½	42
Do. pref.	7	7.14	98½	98	98	99	185	100	98
Cockshutt, pref.	4	5.88	68	67	68	70	165	82	67
Continental Oil	$1	...	17	17	17	17⅝	25	22¼	17
Cosgrave Brew. (par $10)	$5	5.26	9½	9	9½	10	375	12	6
Cooksville Shale Brick, c.	.	...	..	...	...	...	...	14	10¾
Do. pref.	4	...	..	...	...	...	...	54	50½
Com. Alcohol (no par)	.	...	..	...	...	...	...	70	15
Foothills Oil	.	...	2.20	2.10	2.20	2.25	1260	3.25	2.10
Dom. Engineering	8	4.25	188	188	188	182	50	189	135
Dom. Power, pref.	7	7.00	..	...	...	...	...	101	100
Dryden Power (no par)	.	...	10½	10½	10½	10½	50	15½	9½
East Dairies, c. (no par)	.	...	..	...	...	...	...	29¼	20½
Do. pref.	7	7.36	..	...	...	...	...	96½	94
Eng. Elec., c. (no par)	.	...	..	...	...	...	...	18½	15
Do. pref.	.	...	..	...	...	...	...	95	72½
Good. & Worts (no par)	$1	1.92	53¼	51⅞	52	53½	1065	64	43¼
Chas. Gurd, com.	.	...	33¼	28⅞	31¾	...	4014	33¼	28⅞
Do. pref.	.	...	94	94	94	...	47	94	94
Hiram Walker (no par)	.	...	50¼	48¼	49¾	50	2800	57¼	28½
Illinois Power, pref.	7	6.93	101	100	100	98	15	101	98
Imperial Oil (no par)	$1.12½	2.54	44¾	43	44¼	43⅞	4265	47	37¾
Imp. Tob., c. (par $5)	6	3.75	8½	8	8½	8	200	8½	6¾
Inter. Petroleum (no par)	75c	2.59	29	28	29	28½	1350	35¼	28
Inter. Power, com.	.	...	..	...	...	...	...	17	14½
Do. pref.	.	...	87	85½	87	87	10	90½	85½
Loew's London, com.	25+55c	...	..	...	...	...	...	5¾	4½
North. Bak. (no par)	.	...	30⅛	29	30	29½	3476	36¾	25
Mitchell, J. S.	.	...	30	29¾	29¾	30	30	32	28
Manitoba Power (no par)	.	...	55	55	55	56	5	58½	50
McColl, com. (no par)	80c	2.10	39	38	38¾	39	480	41	22½
Do. pref.	7	6.03	..	...	...	...	...	118½	100
Mount Royal, com.	.	...	5½	5½	5½	5	10	6	3
Do. pref.	6	...	..	...	...	...	...	55¾	47½
No. Star Oil, c. (par $5)	.	...	..	...	...	...	...	2.55	1.15
Do. pref. (par $5)	7	...	..	...	...	...	...	5.01	4.90
N.S. Car, c. (no par)	.	...	..	...	...	...	...	25	18¼
Ott. Mtl. Pr., c. (no par)	.	...	..	...	...	...	...	25	19
Do. pref. (par $50)	7	7.44	..	...	...	...	...	48⅛	47
Ottawa Riv. Pr. (no par)	.	...	..	...	...	...	...	26	23
Paton Mfg., c. (no par)	.	...	..	...	...	...	...	60	25
Do. pref.	.	...	99	98	99	98	20	100	98
Power Corp., c. (no par)	.	...	40⅛	39	40	39	902	44	27¼
Do. pref.	6	6.28	96	95½	95½	95	25	97½	94
Port Alfred, pref.	7	7.33	..	...	...	...	...	97½	95
Perfection Glass (no par)	.	...	7	7	7	8	50	8	7
St. Maur. Power	.	...	126	125	126	125	195	150	96
St. Maur. Valley, com.	.	...	52	51	52	51	330	57½	47
Do. pref.	7	7.33	96	95¼	96	95	312	98	90½
Simpson, Robt., pref.	6	5.88	..	...	...	...	...	102	100
Sovereign Secs. (par $5)	.	...	..	...	...	...	...	2.00	1.50
St. Law. Pap., c. (no par)	.	...	40	38½	40	38	410	54	35
Do. pref.	8	7.54	..	...	...	...	...	108	104
Standard Clay	.	...	..	...	...	...	...	40	38
Toronto Brew. (no par)	.	...	12	12	12	12⅝	38	13⅛	12
United Secs., com.	.	...	48	48	48	50	1	70½	43½
Do. pref.	6	5.79	103½	103½	103½	103½	5	105¼	103¼
Volcanic Oil, Rts.	.	...	1.50	1.10	1.10	...	1981	1.50	1.10
Volcanic Oil (par $25)	$2.52	1.34	..	...	...	...	...	47¼	36
Venezuelan Pete. (par $5)	.	...	..	...	...	...	...	7½	6¼
Wallace Sand	.	...	..	...	...	...	...	3	2⅝
Wolthausen (no par)	.	...	..	...	...	...	...	25	20
Zimmerknit, com.	.	...	19	18½	18¾	...	641	19	18½
Do. pref.	.	...	91	91	91	...	15	91	91

xQuotations for 1926. No sales recorded in 1927 to date.

Canadian Converters Has Bettered Its Earnings

From Our Own Correspondent.

MONTREAL.—It is understood that the profits of the Canadian Converters Company during the first two months of the current fiscal year show a betterment over the corresponding period of 1926. The volume of business has increased over a year ago and better prices are being obtained for some of its lines.

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Pulp & Paper

PULP AND PAPER HEADS CORPORATE FINANCING TO DATE

Six Months' Bond Record Shows Greater Diversification

The first six months of the current year was remarkable for the unusually large number of new bond issues put on the market. Many of these were for small amounts only, but the aggregate, according to the Royal Securities Corpn., amounted to $288,520,860, which is only a net increase of $63,255,064, as compared with the similar period of 1926. The difference is accounted for by the absence of Dominion Government financing this year ($105,000,000 in February, 1926), decreases of $6,577,500 in provincial issues and $19,390,533 in corporation issues, while municipal offerings show an increase of $2,212,969 and railroad issues increased $65,000,000.

A comparative summary of new issue offered during the first half of 1926 and 1927, by months, is shown hereunder:

	1927	1926
January	$52,678,350	$35,478,046
February	17,326,186	121,688,799
March	26,876,463	28,038,743
April	70,577,821	64,669,163
May.....	42,700,616	42,595,348
June	78,361,424	59,305,825
Total (6 Months)	$288,520,860	$351,775,924

June Was Leader

Eliminating the Federal Government financing of February 1926, an increase has been recorded each month of 1927 as against 1926—with the exception of March, when the total was $1,162,280 less than that for March last year. Actually, the greatest amount of financing in any one month this year was done in June, when the total was $78,361,424, but this consisted principally of the Canadian National Railways issue of $65,000,000. The second largest monthly total—$70,577,821 in April—included a more representative list of offerings, being composed of $13,894,000 provincials, $11,448,821 municipals, $30,235,000 corporation bonds and $15,000,000 railroad bonds.

Corporate List Heavy

A comparison of corporation bond financing during the six months period brings the following interesting figures:—

	1927	1926
Industrials:		
Pulp and paper	$ 43,225,000	$ 35,908,333
Real estate	6,603,000	3,585,000
Miscellaneous	22,235,000	28,255,000
	$ 72,063,000	$ 67,748,333
Public Utilities:		
Tele. companies	$ 10,150,000	Nil
Light & Power	15,350,000	57,500,000
	$ 25,500,000	$ 57,500,000
Miscellaneous: (Including investment security, mtge. and disct. cos., etc.)	$ 10,444,800	$ 2,150,000
Grand total: (6 months)	$108,007,800	$127,398,333

Duke-Price Power First Mortgage 6's ($37,000,000), largely accounts for the total appearing under the heading of light and power bonds issued in the first half of 1926.

ST. LAWRENCE PAPER DEBENTURES ARE LOW

Present Prices Return Good Yield — Issue Has Speculative Possibilities

From Our Own Correspondent.

MONTREAL.—The 6½ per cent. debentures of the St. Lawrence Paper Mills have changed hands at about 99 of late. At this price, despite the hesitancy in the newsprint market, the issue seems attractive.

In the first place, these mortgage debentures carry stock purchase warrants, which entitle the holder to purchase up to August 31, 1928, three shares of the common stock of the company at $50 per share for every $1,000 mortgage debenture. While the common shares of the St. Lawrence Paper Mills are now changing hands in the vicity of 40, it can be seen that at the moment these purchase warrants are of little value, but even a slight betterment in the consumption of newsprint in the United States would be markedly reflected in the market price of the shares of the company.

The present hesitancy in the newsprint market may, or may not, undergo some betterment by the end of August next year. Should it do so, the warrants would immediately become valuable. In this connection, it is interesting to note that St. Lawrence Paper common has sold at over 60 during the past twelve months.

The Capital Structure

Ranking senior to the mortgage debenture issue there is an issue of $6,500,000 first mortgage bonds, and ranking junior to the mortgage debenture there are 8 per cent., cumulative, preferred shares outstanding to an amount of $2,500,000. There are 50,000 shares of common stock outstanding.

The sinking fund clause in the trust deed covering the debentures provides that, commencing January next, the company will initiate and maintain a sinking fund sufficient to retire the whole issue by the beginning of 1936.

As the company is earning its preferred dividend requirements and a little over, despite the poor market for newsprint, it can be seen that the debentures have attractions on an earning power basis. The security back of the debenture issue in plant, property and fixed assets amounts roughly to $250 for each $100 of debentures outstanding.

Thus it will be seen that the debentures are well secured both as to assets and as to earnings, and return a satisfactory yield, coupled with which is the possibility of the stock purchase warrants being valuable a year or more hence.

Anticosti Will Ship 90,000 Cords of Pulpwood

From Our Own Correspondent.

MONTREAL.—A party of those financially interested in the operations of the Anticosti Corporation have just completed a tour of inspection of the island of Anticosti. The party included George M. McKee, president of the Anticosti Corporation; J. H. Gundy, F. I. Ritchie and F. Faure, directors; L. A. Brooks, secretary-treasurer, and W. M. Bancroft, G. H. Montgomery, G. H. Duggan, J. W. Pyke, C. B. McNaught, W. R. G. Holt and R. Ritchie. The inspection of the property was completed by a 287 mile cruise around the island.

On his return from the trip, Mr. McKee said that about 90,000 cords of pulpwood would be shipped from Anticosti to Port Alfred and Three Rivers this summer, and that last winter's cut of 100,000 cords would be doubled next winter. The company is now engaged in improving docking facilities at different points on the island. It is not the management's intention to erect a paper mill at Anticosti, nor is the management considering the possibility of developing the water power there.

U. S. Newsprint Output 9 Per Cent Off This Year

From Our Own Correspondent.

MONTREAL.—The newsprint production figures during the month of June reveal the usual seasonal decline in demand.

During the month, the Canadian mills operated at 84.7 per cent. of their rated capacity, as compared with a figure of 82.9 per cent. for the U.S. mills. During the first six months of this year, the Canadian newsprint mills produced 12 per cent more newsprint than in 1926, whereas the U.S. output was 9 per cent less durin gthe same period. It is satisfactory from the investment viewpoint to note that finally the production of the U.S. mills seems to be declining as production in this country is expanding. Newsprint stocks on hand at the mills show some increase over May, but the figures are little changed from those prevailing at the close of the preceding three months.
tion figures of the U.S. and Canadian newsprint mills:

Chelsea Newsprint Mill To Be Completed Soon

From Our Own Correspondent.

MONTREAL.—The Chelsea newsprint mill of the International Paper Company, it is expected, will be completed next month. The mill's capacity is 600 tons of newsprint daily. Two machines are now in operation. The company's other Canadian newsprint mill at Three Rivers has a daily capacity of 700 tons. The enlargement to the company's Kipawa sulphite mill has been completed. It now produces 250 tons of chemical pulp daily. Plans for the construction of the New Brunswick newsprint mill are under way, but construction will not probably begin until 1928.

In the Southern States the company's output of kraft paper and board amounts to 280 tons daily—the largest production of any one company in America. A third kraft mill is being erected in Arkansas which will be completed about the middle of 1928, by which date the company will have a daily capacity of 460 tons of kraft and paperboard. The company's operations in the Southern States are carried out through its wholly-owned subsidiary, the Southern International Paper Company. Construction work has begun on the Sacandaga reservoir at the head waters of the Hudson River. This work will increase the flow of water through the company's Hudson River power sites, and will enhance their value.

Head of Anglo-Canadian Mills Was Ontario Boy

Robert Alexander McInnis, general manager of the Anglo-Canadian Pulp & Paper Mills, who are erecting a 400-ton newsprint plant at Quebec City, is an Ontario boy who has made rapid progress in the industry, according to Canada Lumberman. Mr. McInnis, after being educated in the high school at Gravenhurst, joined the sales staff of Edward Lloyd, Limited, New York and Montreal, with whom he remained seven years. In 1907 he linked up with Belgo-Canadian Pulp & Paper Co., and was with them until 1914 when he was appointed assistant to the president of the Abitibi Power & Paper Co. This led to his being made manager of the company in 1917, and, for nine years in the attractive and enterprising town of Iroquois Falls, Mr. McInnis resided and always took a deep interest not only in the welfare of those under him but in the progress of the Abitibi company which greatly increased its production of newsprint.

Mr. McInnis has always been a broadminded, public-spirited citizen. He was president of the Northern Ontario Associated Boards of Trade for two years, and vice-president of the Ontario Associated Boards for a similar period. In safety work he has ever been a leader and his influence always on the side of protecting the life and limb of all, connected directly or indirectly, with the expanding paper industry. Last year the subject of this reference was president of the Ontario Pulp and Paper Makers' Safety Association. Some months ago he was appointed general manager of the Anglo-Canadian Pulp & Paper Mills and gigantic construction work at Quebec city has kept him on the move, but in any position held, he has always measured up to the responsibility and opportunity. Mr. McInnis is a member of the executive committee of the Canadian Pulp and Paper Association as well as of the Research Council of that body. He belongs to several clubs, including the Garrison, of Quebec, the Engineers of Montreal, the Albany of Toronto, and the Canadian Club, New York.

Canada Lumberman says Mr. McInnis is making good on a real man's job.

Dominion Radiator Will Retire Preferred on Sept. 1

On September 1st, the Dominion Radiator and Boiler Co. will retire its entire issue of preferred stock, consisting of 15,484 shares, at par plus the quarterly dividend of 1¾ per cent.

The letter being sent to shareholders is as follows:

"You appear on the books of this company as the holder of 7 per cent. cumulative dividend redeemable preference shares of $100 each in its capital stock. You are hereby notified that it is the intention of this company to redeem the outstanding preference shares in its capital stock, including those registered in your name on Sept. 1, 1927, by paying the par value of such shares, plus an amount calculated as if the preferential dividend on such shares were accruing from the time of payment of the last quarterly dividend instalment down to the date of such redemption. On and after the first day of September, 1927, on the presentation and surrender of the certificates for the preference shares registered in your name, duly assigned and witnessed at the office of the National Trust Company, Limited, 20 King St. E., Toronto, Canada, you will accordingly receive payment at the rate of $101.75 for each preference share. After Sept. 1, 1927, dividends shall cease to accrue in respect of the preference shares of the company and the holders thereof shall not be entitled to vote in respect thereof or exercise any rights as holders of such shares.

"It is suggesed that as a matter of convenience you should deliver your certificates to National Trust Company, Limited, some days prior to Sept. 1, 1927, on which date cheques will be mailed to you for the amount to which you are entitled. In any event, you are urged not to delay presentation and surrender of your certificates against payment therefor at the rate above mentioned beyond Sept. 1, 1927, in order that you may incur no loss of interest on the amount to which you are entitled."

Port Alfred Chemical Pulp Output All Sold

From Our Own Correspondent.

MONTREAL.—The entire sulphite pulp production of the Port Alfred Pulp and Paper Corporation has been sold for the balance of 1927. The fact that the corporation is one of the largest chemical pulp producers in Canada, in addition to its newsprint capacity, is one of the reasons why last year it made such satisfactory profits despite the fact that it produced newsprint only during a portion of the year.

It is understood that to date this year the company has earned a substantial sum on its common stock after paying all interest charges, preferred dividends and making allowances for various reserves. Thus, despite the hesitancy in the newsprint situation, Port Alfred occupies a satisfactory position.

The company's output of chemical pulp amounts to over 100 tons daily and its mills have a rated capacity of 400 tons a day of newsprint. Since the beginning of the year it has been able from month to month to increase slightly its newsprint output.

While the preferred shares of the corporation have weakened sympathetically with all other newsprint securities, yet the earnings are far in excess of the dividend requirements and this satisfactory position will be maintained, newsprint hesitancy or no newsprint hesitancy.

Montreal Port's New Record

The Montreal Harbor Commission's annual report for 1926 shows new records achieved with 9,210,699 tons of goods handled. In addition, the number of ocean ships which came to the port set a new record at 1,421—this despite the disastrous general strike in England, and the prolonged coal strike, the fact that water levels were lower than usual and the season of navigation the shortest on record, owing to cold weather both in the spring and the fall.

Twenty country elevators have been purchased by the Alberta Wheat Pool from the United Grain Company, Ltd.

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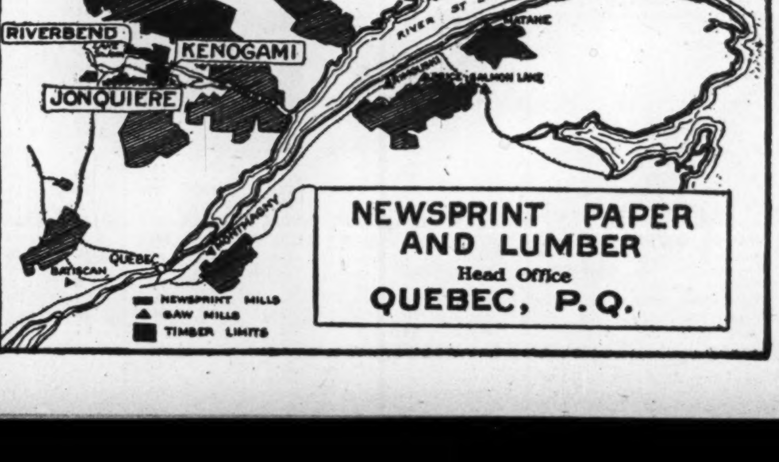

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MANITOBA POWER FINISHES STATION AT GREAT FALLS

Fourth of Six Units Will Be Delivering Energy in August

From Our Own Correspondent.

WINNIPEG.—The Manitoba Power Co. next month will complete the installation of the fourth unit in its power plant at Great Falls, north of Winnipeg. A new transmission line is nearing completion which will bring the bulk of the energy to Winnipeg on the north-western side.

The Great Falls plans of the Manitoba Power Co. was constructed in 1922, in such a way as ultimately to provide 168,000 horsepower. That is, the substructure was completed for six turbines of 28,000 horsepower each and the original superstructure left room for three units. As conditions appeared in 1922, it seemed improbable that the remaining units would be required for perhaps a decade.

Fifth Unit in 1928

The superstructure now covers the whole substructure. With the fourth unit in operation next month and the demand for power in Manitoba growing rapidly, the company expects to install the fifth unit next year and it is more than likely that the sixth and last unit will be in place early in 1929 only seven years after the original work was started.

Winnipeg Electric Co. owns 60 per cent. of the stock of Manitoba Power Co. and the electric company is the biggest, but not the only, customer of the generating company. Manitoba Power Co. now is delivering power to Central Manitoba Mines, north of Great Falls, and the company expects to find a growing market for power as the mineral wealth of the province is exploited.

Manitoba Power Co. is a retailer of power in the mining areas and in certain other communities, but it is a wholesaler so far as the Winnipeg Electric Co., the parent company, is concerned. The generating company brings the power to the city limits, where the retail company steps it down in substations strategically placed.

With the probability of a considerably enhanced industrial activity in Manitoba, with a modern exploitation of the mineral wealth demanding power in large blocks and with the control of the company resting with interests connected with the Power Corporation of Canada, which has contributed immeasurably to mining work farther East, the future of the company appears more than ordinarily promising.

Manitoba Power shares are traded on the Montreal curb market.

Dividends Declared

Company	Rate	Date	Record
Muskoka Lakes Nav.	6%	Aug. 1	July 1
Imperial Bank	3%	Aug. 1	July 15
Russell Motor, pref.	1¾%	Aug 1	July 1
Penmans, com.	$1	Aug. 15	Aug. 5
Do., pref.	1½%	Aug. 15	Aug. 5
Winnipeg Elec. com.	$1	Aug. 1	July 10
McColl Bros. com.	20c.	Sept. 1	Aug.15
Do., pref.	1¾%	Sept. 1	Aug.15
Inter. Paper com.	60c.	Aug. 15	Aug. 1
Standard Bank	3%	Aug. 1	July 16
Steel Co. of Can. com.	1¾%	Aug. 1	July 7
Do., pref.	1¾%	Aug 1	July 7
Mont. L. H. & P.	50c.	July 30	June 30
Nor. Ont. L. & P.	3%	July 25	June 30
East. Theatres, pfd.	3½%	July 30	June 30
Can. Bronze, pfd.	$1.71	Aug. 1	July 15
Amer. Salesbook, pfd.	1¾%	Aug. 2	July 15
Teck Hughes	10c	Aug. 1	July 20
Bank of Toronto	3%	Sept. 1	Aug. 15
Stanford's 1st pfd.	1¾%	Aug 1	July 15
Tooke Bros., pfd.	1¾%	Aug. 1	July 15
Wright-Hargreaves	5c	Aug. 1	July 15
Christie Brown, com.	30c	Aug. 1	July 15
Do,. pref.	1¾%	Aug. 1	July 20
B. C. Pulp & P. pfd.	$175	Aug. 1	July 15
Inter. Nickel, pfd.	1½%	Aug. 1	July 21
Royal Bank	3%	Sept. 1	July 30
Bank of Commerce	3%	Sept. 1	Aug.16
McIntyre Mines	5%	Sept. 1	Aug. 1
Famous Players, pfd.	$2	Sept. 1	July 30
Brazilian Tr. com.	1½%	Sept. 1	July 30
Belding Cort., com.	3%	Aug. 1	July 15
Do., pref.	1¾%	Sept. 15	Aug.31
Para. Osh Theatres pref	1¾%	Aug 15	July 30
St. Law. Flour, pf.	1¾%	Aug 1	July 20
Can. Converters	1¾%	Aug. 15	July 30
Canada Cement, pfd.	1¾%	Aug. 16	July 31

Stock Redemption

Dom. Rad. pfd. Sept. 1, 15,484 shs. at 101.75

McColl Bros., conv., preg. Sept. 1, at 107.50.

SIXTEEN years before Confederation Robert Mitchell produced the first piece of Mitchell Metalcraft in a little shop on Craig Street in Montreal. Seventy-six years have passed, and to-day Mitchell Metalcraft is found in the leading public buildings, banks, and financial houses throughout Canada.

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Twelfth Article: THE LIVING TRUST

By RALPH C. GEDDES.

So far in these articles attention has been directed to the disposal of an estate at death and the different matters to be considered in this connection. It may be with a feeling of relief that we leave this part of the subject to see what can be done with property during the lifetime of the owner in the way of conferring benefits or protecting it against the danger of loss.

It scarcely need be said that a man may at any time bestow a benefit with part of his capital by making an absolute gift of it. However, in so many cases, such gifts have so developed the faculty of vanishing much more quickly than the donor intended, that most men hesitate to make them.

Personal Element Enters In

Or one can set aside part of his capital as a reserve, and regarding himself as a trustee of it, apply the income for the uses of himself or those of his family or others whom he wishes to benefit. But, in such a case, if the remaining part of his capital is lost through reverses in trade or in speculation, the reserve is more than likely to burst through any bounds of a self-constituted trusteeship and be swallowed up with the rest of it.

The best solution of both these problems is 'The Living Trust." It is useful either as a protection for a reserve, or as a means of conferring a benefit on those persons who, either by their natures or the circumstances in which they are placed, cannot be depended upon to use capital safely or wisely. Unless by reason of advancing age or of continued ill-health, in which case he will reserve to himself the right to receive the income or part of it, no one is going to divest himself of all his property during his lifetime. King Lear is the classic warning against such a proceeding. Therefore, the Living Trust is usually concerned with that accumulation of wealth which a man may reasonably regard as a surplus over and above what he may judge he will require for the everyday needs of himself or his business.

Uses for Living Trust

While there is no limit to the uses to which a trust of this kind can be put, the following examples will give a good general idea of its functions and the restrictions that may be embodied in it.

(a) To assure for your wife (before or after marriage) an income during your life and afterwards.

(b) To make a marriage settlement on your daughter so that she will have a separate income during her life — a most acceptable form of wedding present.

(c) To assure an income for an unmarried daughter who is dependent on what you give her or what she can earn, instead of paying her regular or occasional sums out of your own yearly income.

(d) To provide a sure income for your father or mother, who may be dependent on your help, or for some other relative.

(e) To provide a fund for the education of your children or grandchildren, and to start them in life when the time comes.

(f) To make yourself the beneficiary under the trust during your lifetime, and thus be free from anxiety respecting your old age.

Capital is Irrevocable

Any of these ideas can be amplified by various provisions for the disposal of income or capital in certain contingencies. In this manner you can benefit not only those whom you wish particularly to protect or favor, but also those who may be next entitled to your bounty if the other or others no longer need or deserve it.

The capital set aside in such a trust fund, if it is irrevocable, cannot be reached by future creditors, provided the trust was created while you were solvent; and there is certainly no odium attached to alienating property under these circumstances. It may have the effect of saving a considerable amount in income tax, both federal and municipal, and probably there will be a saving in Succession Duties as well.

Need Not be in Cash

If it is desired to produce a definite income, the capital required will be based on a conservative estimate of the revenue from the securities or assets which will comprise the fund. It is, of course, not necessary to set aside cash, and the creator of the trust can always retain the right to supervise the investment policy of the trustee with regard to the fund. If the trust is desired to serve a future purpose, it can be started with a comparatively small amount, and gradually be built up to the necessary size. Thus, it is by no means requisite to have a large reserve of capital before a trust can be considered as a practicable means of safeguarding capital either for the benefit of oneself or others.

The charges of the trustee are very moderate, and should be agreed upon when the trust is created, as they will depend upon the nature of the securities to be dealt with and the terms of the trust. Either individuals or a trust company can be appointed, but their safety, permanence, accessibility, experience and efficiency are all factors strongly in favor of the corporate trustee.

Nearly 60,000 Immigrants Arrive in Canada April-May

May proved to be one of the best months for immigration in a great many years, 23,941 newcomers having entered the Dominion, an increase of 29 per cent., and 79 per cent. over the same month in 1926 and 1926, respectively, according to a report issued by the Department of Immigration and Colonization. Of the total influx last May, 8,408 were British; 2,503 from the United States, and 13,030 from other countries. In each instance there was an increase over the May, 1925 and 1926, respectively, according countries."

Immigration for April and May, the first two months of the fiscal year, totaled 59,382, or almost 1,000 persons per day for the first two months. At this rate, the numbering the Dominion for 1927-28 would easily pass the 200,000 mark, but in view of the temporary ban on European immigrants, it is likely that this figure will not be reached.

While immigration during the past few months has been in greater volume than for many years past, emigration, on the other hand, has also been increasing. It has been frequently stated that in view of the more prosperous conditions in this country and the slowing up of activity in a number of American industries Canadians were not going across the line in any large numbers, but the report of the American Department of Labor for the month of May disproves this belief. In that month, Canada was the principal source of immigration for the United States, with the exception of Mexico, 5,259 having crossed the boundary. From July, 1926, to May, 1927, 75,398 immigrants have entered the United States from Canada. While it is true that a fairly large proportion of this total represents nationals other than native-born Canadians, the exodus of Canadian citizens is still very large.

NATIONAL TRUST IN WINNIPEG

National Trust Company have purchased the Garry Building in Winnipeg and will shortly occupy it as Manitoba headquarters, under A. S. Bond, manager.

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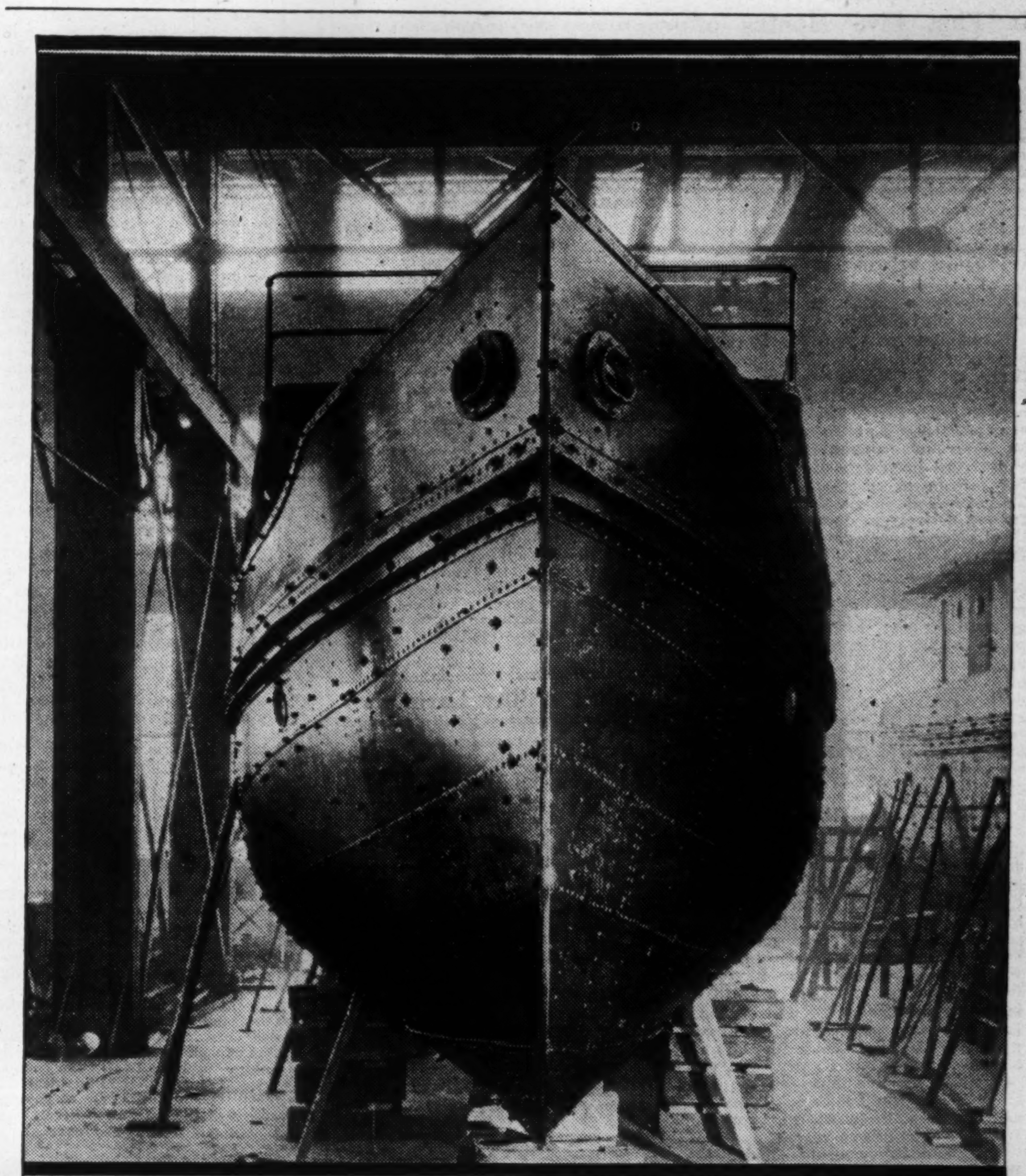

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Public Utilities

B. C. ELECTRIC EARNINGS WILL SHOW BIG JUMP

Eleven Months' Record Indicates $250,000 Increase in Net

Advices from London continue to reveal record high earnings for British Columbia Electric Railway. A particularly satisfactory increase is shown in net earnings.

B. C. Electric's year ended June 30. To the end of May—eleven months of the year being in the background—aggregate gross earnings had shown an increase of $644,000 and net earnings an increase of a quarter of a million dollars, standing for the year at $3,387,090.

In view of the fact that B. C. Electric has been in the midst of a heavy programme of new extensions in its different services, particularly in the field of water power development, the showing must be regarded as very satisfactory. The increase for the full twelve months is likely to be about $300,000 in net earnings.

B. C. Electric serves a number of British Columbia communities with a variety of utility services, including street railway, interurban railway, coach and bus lines, gas, and electric power.

Ten Per Cent. Yearly Increase

The largest city served is Vancouver and because of the rapid growth of that city, much new capital has to be invested each year to keep pace with service demands. A short while ago George Kidd, general manager, pointed out that the consumption of electricity in the company's field of service is increasing by about ten per cent. yearly, making it necessary to double the capacity of the company's power plants every eight or ten years.

Some of the new capital has been raised in Canada, through a customer stock ownership campaign, but in the main British Columbia Electric Railway and its various subsidiary enterprises recruit their new capital requirements from Great Britain.

LARGE EARNINGS INCREASE SHOWN BY WESTERN GAS

In First Five Months of Year Increased Net By $300,000

That Canadian Western Natural Gas, Light, Heat and Power Company is making excellent use of new capital that is being invested in its properties is shown by the earnings record for current months. In the first five months of the present year the company earned an aggregate of $805,230 as against $536,082 in the similar period of the previous year. May earnings were practically double earnings for May, 1926.

Company recently sold $2,000,000 of new preferred stock. This is practically the senior security of the company. The only mortgage is in connection with $1,173,455 of debenture stock held by English investors but an equivalent amount of preferred shares has been deposited to provide for retirement of these debentures. They fall due in 1936 but a sinking fund is actively in operation to retire them prior to that date.

Preferred Has Participating Feature

Another sinking fund is in operation providing for retirement of the preferred shares. The preferred stock gets a 6 per cent. dividend and participates to the extent of an additional one per cent. if the common dividends ever touch 7 per cent. A three per cent. dividend was paid on the ordinary shares in 1926 and another 3 per cent. dividend was paid March 1 of this year. Actual earnings last year were over 5 per cent. on the $8,000,000 of common stock.

Serves Several Communities

The company produces and distributes natural gas for heating and industrial purposes to the cities of Calgary and Lethbridge and the towns of Granum, Claresholm, MacLeod, Nanton, Okotoks and Brooks. The company serves a population of approximately 85,000. The number of consumers to whom gas is provided has increased from approximately 5,000 in 1913 to in excess of 15,000 at the present time. In 1926, sales aggregated approximately three billion cubic feet of gas, of which more than 85 per cent. was purchased by consumers in the city of Calgary. The business has been in continuous and successful operation for more than fifteen years.

The company operates under the jurisdiction and control of the Board of Public Utility Commissioners for the Province of Alberta, which has the right to fix, determine and regulate rates so as to provide a reasonable return to the company.

Properties of Company

The company owns 21 producing gas wells, mainly in the Bow Island and Foremost gas fields, respectively about 110 and 130 miles south-east of the city of Calgary. In addition to wells owned, the company has entered into an agreement to purchase substantial quantities of gas from the Royalite Oil Company, (a subsidiary of Imperial Oil), which operates important wells in the Turner Valley, about thirty miles south-east of the city of Calgary. The company also has entered into an arrangement enabling it to purchase gas from wells owned by the Canadian Pacific Railway in the Bow Island Area.

The developed gas reserves on properties now owned or controlled by the company are estimated to contain approximately sixty billion cubic feet. In close proximity to wells now controlled by the company are located extensive gas areas estimated to contain practically an inexhaustible supply of natural gas.

The company's distributing system includes 279 miles of main trunk line, 19 miles of field pipe lines and 185 miles of distributing mains in the cities and towns served. It also owns all buildings, drilling and other equipment necessary for the operation of its system, including 240 miles of private telephone lines. Properties have been maintained in an efficient operating condition.

Dominion Engineering Split Was Approved

From Our Own Correspondent.

MONTREAL. — The special general meeting of the Dominion Engineering Works has approved the 5 for 1 split in the shares of the company. Application is being made to the Federal authorities to permit the change in the capitalization. The new stock will be of no par value. The present authorized capitalization of the company consists of 25,000 shares of $100 par value. Of these, 22,333 shares are issued and outstanding. The Dominion Bridge Company owns over 57 per cent. of the stock.

At the shareholders' meeting, G. H. Duggan remarked that in 1926 the company had secured nearly $8,000,000 of business—a figure nearly four times as great as the average of the past eight years.

East Kootenay Power Starts New Steam Plant

From Our Own Correspondent.

MONTREAL.—The new steam plant of the East Kootenay Power Company on Crows' Nest Lake in Alberta will be placed in operation immediately. The new plant was erected to increase the capacity of the company's hydro-electric plant and at the same time to insure continuous service during periods of low water. There is an ample and inexpensive supply of coal available in the area adjacent to the new station.

The first steam unit of 6,500 horsepower has been completed and the plant has been constructed so that the second 6,500 horsepower unit may be installed at any time. The second unit will be required at an early date to meet the increasing demand for power in the steadily developing territory. It is understood that $250,000 of new business will come to the company through the operations of the new plant.

Excluding the power supplied to the Consolidated Mining and Smelting Company's plant which is rapidly expanding the scope of its operations, the largest power consumers in the company's territory are the coal mines. During recent years the coal mines have suffered from labor troubles which curtailed both their output and their power consumption. The labor troubles have been eliminated and the area is once more prosperous, which augurs well for the earning power of the company during the current fiscal year which commenced April 1 last. It is anticipated that the current year will prove to be the best in the company's history.

Shawinigan Water Has Increased Shareholders

From Our Own Correspondent.

MONTREAL.—The Shawinigan Water and Power Company now has over 7,000 shareholders. The increase in the investment interest in the company over the past 8 years has been little short of extraordinary, for in 1919 there were but 504 shareholders. Since that date the number of individuals holding the stock has steadily increased. The increase is due in part to the customer ownership campaigns initiated by the company, but probably to a greater degree to the predominant and satisfactory role played by water power securities in the stock market picture.

Manitoba Cordage Co. Expanding

The Manitoba Cordage Co. is negotiating with the city of Portage La Prairie for the purchase of the city power plant, on the Canadian Pacific right-of-way north on Tupper Street. The Cordage Co. is now storing the hemp marketed daily on the Main Street property north of the Metcalfe mills.

Public Utility Earnings

Southern Canada Power

June—	1927	1926	Inc.
Gross earnings	$122,222	$108,734	$ 13,488
Oper. expenses	42,453	40,786	1,667
Net earn.	$ 79,769	$ 67,948	$ 11,821
Nine months:	1927	1926	Inc.
Gross earn.	$1,133,050	$1,037,932	$ 95,118
Oper. expense	381,300	349,085	33,215
Net earnings	$751,750	$689,847	$ 61,903

* * *

B. C. Electric

May	1926	1927	Increase
	$	$	$
Gr. earn.	966,372	1,034,297	67,925
Wk. exp., mainten.. etc.	731,517	768,767	37,250
Net income	234,855	265,530	30,675
toAggr. gr. from July 1 to May 31, '27	11,075,677	11,719,993	644,316
Aggr. gr. from July 1 to May 31, '27	3,137,290	3,387,090	249,800

* * *

Monterey Rly., Light & Power

3 months Mar. 31, 1927	Gross	Expenses incl. prov. for renew. obsolescences	Surplus
	$	$	$
Rly., Lt. and Pr.	242,067	246,015	*3,947
Water & sewage	65,598	41,479	24,119
Total	307,666	287,495	20,171

* Deficit.

* * *

Winnipeg Electric

May	1926	1927	Increase
	$	$	$
Gr. earnings	428,498	478,619	50,121
Working exp.	282,316	310,874	28,558
Net earnings	146,182	167,745	21,563
Aggr. gr. from Jan. 1 to end of May	2,333,096	2,548,484	215,388
Aggr. net from Jan. 1 to end of May	856,574	936,095	79,521

* * *

Can. Western Natural Gas

	1926	1927	Increase
January	$138,443	$199,753	$ 61,310
February	126,850	193,421	66,571
March	111,770	168,005	56,235
April	106,121	141,436	35,315
May	52,898	102,615	49,717
Aggr. earn. from Jan. 1 to May 31	536,082	805,230	269,148

Winnipeg Electric Makes Progress Alongside Its City-Owned Competitor

Goodwill of Public, Better Relations with Labor, Growth of Industry Enables Enlighted Management to Improve Investment Outlook

By Staff Editor.

WINNIPEG.—The steadily rising market value of the common shares of Winnipeg Electric Co. is attributed naturally to the gradual betterment in earnings and the increasing soundness of the company's annual balance sheets. But the underlying reason for the improved position of the company is the changed attitude of the company under the management that has been in charge for the last seven or eight years.

In the old days—the bad old days—the company was unpopular. Its attitude toward the public was characteristic of the utility industry. Goodwill was not sought and apparently not desired. What service was given was given grudingly. The employees did not like the company. In times of labor trouble—and there was plenty of labor trouble—the public wasted no sympathy on the company, although the public invariably must foot the bill eventually when street railways fight their employees.

Management Effects Change

Times have changed. The present management of Winnipeg Electric has brought about the change in Winnipeg. The city has not been able to maintain an even level of prosperity since the war. Some of the more candid citizens will go so far as to admit that once or twice the city's population has remained stationary in the post-war era.

And when the city was barely growing, automobile registrations were increasing rapidly. Traffic on the street railway fell off. Then came jitneys and they ate into street railway revenue heavily until at last the city council was persuaded that it was only fair to the company and in the best interests of the public that the jitneys be banned.

Winnipeg has been a hotbed of labor agitation. It was the scene of the general strike engineered by the One Big Union in 1919. The street railway did not escape. For years after, the more radical element were counsellors of the employees. It is only recently that a more reasonable attitude has been discernible among the workers. The present negotiating committee is reputed to be a group of sensible men. They are getting as much from the company by sane discussion of mutual problems as their more belligerent predecessors obtained.

Customers Own Stock

Winnipeg Electric was one of the first companies in Canada to sell stock to its customers. Several hundred citizens are regular recipients of dividends on preferred stock which go some distance toward paying electric bills, if not toward paying for all their street car rides.

The company has built goodwill by taking the public into its confidence, by judicious advertising and by distribution of bulletins among patrons and shareholders. These bulletins are plain discussions of the company's problems and plans. One hears little criticism of the street railway service in Winnipeg. One-man cars are operated, but there are more of this kind than there were formerly of two-man cars and the one-man cars are operated by two men in the downtown areas in the rush period.

Buses Are Feeders

As is the case with most other street railway companies, there have been few, if any, extensions of track in recent years. But the company has taken care of the new districts and has provided feeeders for existing lines by establishing bus routes. About 30 buses are now in operation and their number will be increased as rapidly as there is a demand for them.

Winnipeg Electric Co. is also in the business of selling electricity to the public and of manufacturing and marketing gas. Both these branches of the business show a steady growth despite the competition of the city-owned hydro system. At one time there was a fierce competition between the company and the publicly owned utility. But with a business man in charge of the city's enterprise, the folly of this course was soon abandoned. Now there is a working agreement whereby neither seeks to wean customers from the other. Only the newcomers are fair game for both. The rates are about the same.

As is the case in other cities where there is competition; the taxpayers' enterprise gets the bulk of the domestic business as well as the lighting of streets and public buildings, while the company gets most of the industrial business. This is slightly to the advantage of the company, in that the sale of power in large blocks is effected with less overhead expense.

Hydro Buys Current

The city-owned hydro next year will begin to buy power from Winnipeg Electric or directly from its subsidiary, Manitoba Power. With the demand for power steadily growing, it will be surprising if there is not further development of Manitoba's water powers in the next few years by both hydro and the company. Or the hydro may decide that it can buy power as cheaply from the company as again to go beyond its city limits with an expensive development and transmission project. Public-ownership sentiment may be descending to vainglory when it will not co-operate with a privately-owned enterprise when an equitable arrangement can be made.

An indication of the energy and resource of the management of Winnipeg Electric is gained from the fact that it offset a severe competitive blow by good salesmanship a few years ago. Winnipeg is a city of apartment houses and the kitchens in virtually all these buildings were connected with the company's gas mains. The city-owned hydro induced scores of apartments to change over to electricity for cooking, with a loss of millions of cubic feet of gas consumption. The company, however, instituted a campaign to get other customers for its product, and in a few weeks, was selling more gas than before the hydro had stolen its customers.

Winnipeg Electric buys the bulk of the output of its subsidiary, Manitoba Power Co., from the Great Falls development. But before the organization of Manitoba Power Co., Winnipeg Electric had developed 20,000 horsepower at Pinawa. This since has been increased to 30,000 horsepower. The company also owns directly the transmission line from Pinawa.

Output Grows Rapidly

In all, 222,000 horsepower are developed from the waters of the Winnipeg River. Of this total, 100,000 is the development of the city's hydro. The bulk of this output was consumed immediately because the street lighting and other municipal services were taken over and because there was a successful campaign among the private citizens to support their own enterprise.

In a recent bulletin to the shareholders of Winnipeg Electric, it is pointed out that no achievement in the brief commercial history of Manitoba has been more conspicuous or more successful than the harnessing of the water powers of the province.

The Winnipeg River, the waters of which fall 350 feet in 160 miles, is the mine of energy that has been made productive largely through the foresight and initiative of those charged with directing the policy of the company. The company has been the leader from the beginning. In twenty years, this power system has become one of the largest in Canada and it has built a foundation upon which the major portion of the industrial growth of Manitoba has been founded.

The beginning really was the construction of the Assiniboine steam plant in Winnipeg. In 1904-5 the company built the first hydro plant in Western Canada at Pinawa on the Winnipeg river. There were many early difficulties solved in a way which has made possible the development of 300,000 horsepower on this river.

Serves Twenty Places

At present, twenty different communities are being supplied by the company or its subsidiary. A new pulp mill is the first if its kind in the province and it is hoped there will be a local expansion in this industry which will not only enhance the manufacturing importance of the province but which will tend to lessen the seasonal surplus of labor which has been a problem for Winnipeg for generations. Farmers and farm hands which formerly sought jobs in Winnipeg in the winter are now cutting pulpwood.

In 1927 it is expected that the total output will be 500,000,000 kilowatt hours, as compared with 141,229,800 in 1917 and 39,964,000 in 1907.

Agriculture Dominant Industry of Dominion

From Our Own Correspondent.

MONTREAL.—The current issue of Investment Items, published by the Royal Securities Corporation, contains a review of the economic development of the Dominion in the sixty years since Confederation. The predominant part which agriculture plays in the Canadian business picture is not perhaps generally realized. Investment Items deals with this subject in part as follows:

"In an estimate of the national wealth of Canada prepared in connection with the census of 1921, it is stated that agricultural wealth (namely, farm values, together with the agricultural products in the possession of farmers and traders) constituted thirty-six per cent. of the total wealth of the country; urban real property accounted for twenty-six per cent; railways, canals and telephones for twelve per cent; forests and forest operations for 5.4 per cent; manufactures (machinery and materials) for nine per cent; and household furnishings for a little over fire per cent; the rest being made up of very small items. These figures give a realizing sense of the basic position which agriculture occupies in the national economy of the Dominion."

Jump in Price of Cotton Handicaps Textile Mills

From Our Own Correspondent.

MONTREAL.—During the past nine months the price of raw cotton has advanced around 50 per cent. Such an advance has handicapped some of the Canadian cotton textile manufacturers because there is always a definite lag between an advance in the price of the raw material and a corresponding advance in the price of the finished product.

Many of the Canadian textile mills concluded their fiscal year on March 31 last. Since that date, there has been an increase in the price of the raw material amounting to about 25 per cent. For those textile companies which were fortunate enough to have large stocks of raw material on hand before the upward movement began, the price trend of raw cotton was anything but a misfortune; many of the mills, though, which are now buying raw cotton at the increased price find that it is not possible to obtain a corresponding increase in the price of the finished product.

Celanese Purchase Is Recommended by Bankers

MONTREAL.—The investment house of Greenshields and Company has issued a circular on Canadian Celanese. The investment bankers regard the shares of the company as an excellent speculative opportunity, and the bulletin, in part, concludes as follows:

"Indications seem to justify the premise that the Canadian company will concentrate more on cloth production than either the American or British companies and that output should eventually become stabilized at the approximate figures of 40 per cent fabric and 60 per cent yarn. On this basis, net earnings could be conservatively expected to reach $7,000,000 a year, or more than $25 per common share.

While the stocks of the American and British Celanese companies have advanced during the past several months 300 per cent and 100 per cent, respectively, practically no proportionate upward movement has taken place in the stock of the Canadian company."

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NATION'S BUSINESS

(Continued from page 1)

ing an investment of close to five million dollars is a notable example of a British company that could not meet foreign competition with the tariff protection provided, just as Canadian Libbey Owens Sheet Glass Company of Canada is a notable example of a pseudo-American branch plant that suffered in the same way and was forced to tile its doors and bide its time.

* * *

IT IS to be hoped that Mr. Malcolm will go a step further now and attempt to give British manufacturers sound advice on establishing plants in Canada. His department should make itself fully acquainted with the causes of such failures as there have been, and should inquire closely into the fundamentals of the successes that have been recorded. Firms whom we induce to establish here now should be given the benefit of the experience of the past.

Generally speaking though, it will probably be found by British manufacturers that they will have to establish themselves in this market before they will want to manufacture here; that they will find it worth while to use a high percentage of Canadian executive material in the building up of their businesses and that, in a large number of cases, the simplest and quickest way of establishing a subsidiary manufacturing plant in Canada will be to acquire a small Canadian company in a similar field and gradually expand its business along the lines desired; in other words, to acquire a ready-made Canadian organization as the nucleus of a larger branch plant.

* * *

IN ANY event British companies should not overlook the good will building possibilities of a Canadian financial stake in their company and if they arange for a part of the financing of their new enterprise to be done in Canada it is likely, especially in the event of the success of the company to get them prestige, the keen interest of bankers and investors and a considerable amount of public discussion of the type that is known as word of mouth advertising.

Mr, Malcolm linked branch plant establishment with solution of British re-population and Canadian settlement problems. He is on solid ground here, but fortunately Canadian industrial opportunities are such that the necessity of stimulating the migration movement need not be the sole consideration of the British industrialist in building branch works here.

* * *

ANOTHER great business corporation has decided to back research work. Judge E. H. Gary, chairman of the board of the United States Steel Corporation, announces that his company will establish a Department of Research and Technology under the direction of Dr. John Johnston of Yale, a scientist ably qualified by technical education and experience to explore a field in which scientific and industrial honors are to be won.

It seems a little strange that the billion dollar U.S. Steel should thus belatedly don its mantel of responsibility to lead in the development of the science of iron and steel. In the past the corporation has made steel and has brought the technique of its steel manufacture almost to perfection. But, as is now recalled, no startling discovery in the chemistry of iron and steel stands to its credit.

The U.S. Steel announcement prompts the New York Times to a discussion of the proper attitude of management towards research. It says:

"Money-making must not infect the laboratory. Paradoxically, the most money is made by laboratories least concerned with it — by men who have dabbled in the Einstein theory and the mysteries of the Bohr atom and stumbled on principles applicable to industry. If purely commercial standards are to guide the research director he finds it difficult to attract men of the finest scientific type. His net result is merely a heightening of technical efficiency, an improvement in finished products. Grant a laboratory the right to work untrammeled and both science and industry gain. It was the adoption of this large-visioned policy that made the discovery of ductile tungsten possible—a discovery that unexpectedly gave us electric lamps of an economy and brilliancy undreamed of twenty years ago, radio tubes that have made broadcasting and television twentieth century triumphs, and deeply penetrating X-ray tubes that have been a boon to the sick.

The richest assets of some of our largest corporations are not their physical properties but the discoveries made in laboratories where research has been conducted for its own sake.

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ARNOLD'S SALES RUNNING AT RATE OF EIGHT MILLIONS

Next Year, However, May See Director's Estimate Attained

Arnold Brothers' sales for the current fiscal year are expected to reach a total of $8,000,000. In 1926 they reached $5,500,000. The 1926 figure is for the calendar year; the estimate mentioned for the current year is for the year to March 31 next.

When the directors announced the acquisition of the Martin's stores last March they forecast sales of $12,000,000 annually. This estimate was, however, based upon the operation of 100 stores and this number of stores will not be reached for some time yet. It is expected that next year will see the $12,000,000 figure, or at least $11,000,000, reached, when the estimate of earnings made by the directors of $600,000 net or $5 per share on the common after all expenses, can be earned.

Now About 70 Stores

Since taking over the Martin's stores the company has closed down eight stores in duplicated locations. Two or three stores are still being operated under the old name, pending a final decision as to whether or not they should be continued. All the balance of the stores—approximately 60 in number—have now been converted into Arnold's markets. A few new stores have been opened and the present total in operation is in the 70's.

The Martin's stores acquired dealt chiefly in meat. Under the Arnold market methods meat, butter, eggs, etc., comprise less than half of the turnover of each store. It is stated that the stores have not only held their full volume of meat business but have added the grocery, and fruit sales to the totals.

Stock Again Stronger

Recent decline in the shares of the company has been followed by some improvement. It is stated on good authority that directors of the company were buyers of the stock at recent low levels and that this stemmed the moderate tide of selling that developed following the Martin acquisition.

T. A. McAuley, president of the company, was quoted this week as saying that in six months' time, Arnold Brothers would be in an unusually strong position, and that sales at the present time were outstanding for the summer months.

"I am very well pleased with the present condition of the stores," he declared. "The turnover is very rapid, and the business that is being done is amazing for the summer months. In six months' time I believe Arnold's will be in an unusually strong position."

Mr. McAuley declared that he thought the business being done by the sixty-odd stores in the chain was not exceeded by any similar group on the continent. These include the former Martin stores acquired by the company and placed in operation.

At the present time the stock of the company is selling at around 14. Its high for this year is 26.

SEAMAN-KENT CO. POSITION BETTERED

Business Volume and Collections Are on the Upgrade

Earnings of Seaman-Kent Co., for the year ended last month, are expected to show a substantial improvement over those recorded for the preceding year. This company is the largest manufacturer of hardwood flooring in the British Empire, with plants at Meaford, Renfrew and West Lorne, Ont., and warehouses at Montreal, Toronto, Quebec and the Western Provinces.

At the end of last year, the company's funded debt amounted to $427,700, 7 per cent. bonds, while the capital stock consisted of $500,000 first preferred and 20,000 shares of common stock. The latter is all held privately. Dividends required on the first two securities amount to about $64,000. Earnings during the past six years have been ranging from $96,000 to $142,000, but for the year ended June 30, 1927, are expected to top the previous high mark.

Business has been exceptionally good. The Mississippi flood and the consequent loss of large stocks of hardwood flooring by Southern State operators, brought about an increase in the price of this product. Furthermore, a number of the southern mills were forced to pass orders to those mills unaffected by the flood for completion and this was instrumental in giving Seaman-Kent additional work. Domestic demand has also been exceptionally good during the past year and collections are said to have been better.

Canadian Woollens Has Improved Its Position

From Our Own Correspondent.

MONTREAL.—While no marked improvement can be anticipated in the operations of the Canadian Woollens, Limited, until the competition from imported woollens becomes less keen or until there are changes in the woollen import duties, yet of recent months there has been a slight betterment in the operations of the company. Within the next few weeks, the annual report for the year ending June 30, 1927, will reveal to the shareholders the results achieved during the last fiscal year.

At the moment, it can be said that the real hope of the company lies in some adjustment of the tariff. It is thought that the woollen manufacturers made a good case before the Tariff Board and that there remains a slight possibility of some relief being afforded the Canadian Woollens and the other woollen manufacturing companies in the Dominion.

Fears Premature That Steel Will Disappear from Besco Operations

Admitted That There Are Many Difficulties in Way of Consolidation of Iron and Coal Properties But No One Can Yet Call These Insurmountable

From Our Own Correspondent.

MONTREAL. — While the Royal Trust Company has been appointed the liquidator of the Dominion Steel Corporation, the active entry of the trust company into the affairs of the corporation has been stayed by a court order until an appeal judgment is handed down by the Supreme Court of Nova Scotia.

Roy M. Wolvin, president of the British Empire Steel Corporation, has entered an appeal against the winding up order. The first hearing is scheduled for August 2, before the Supreme Court of Nova Scotia.

In view of the present situation, the Royal Trust Company is not in a position to make a formal announcement regarding the winding up of the company as the trust company action naturally depends on whether or not the courts uphold the original decision ordering the liquidation of the Dominion Steel.

Should the decision go against the British Empire Steel Corporation and should the Supreme Coure re-affirm the decision of the Lower Court, it probably would not mean that the assets of the Dominion Steel Corporation would be sold. It would mean that there would be a reorganization carried out under the control of the courts.

Determining Security Values

If and when the Royal Trust Company steps in as liquidator and operates the Dominion Steel Corporation, the action which the trust company will take will probably be to determine the values of all the securities of the Dominion Steel Corporation and its subsidiaries, including of course, the Dominion Iron and Steel, now in the hands of the National Trust Company as receiver, and the Dominion Coal Company, which on the other hand is doing a satisfactory business.

Ultimately, it would then become necessary to make all the various classes of security holders take new securities for their present holdings.

Those who know the Besco situation well feel that in the liquidation there will be very little for the holders of the common shares of the Dominion Steel Corporation. Besco owns, of course, all the common stock of this subsidiary.

There are still many who feel that the whole affair pretty well boils down to nothing more than the old fight between the coal and steel properties.

To these people it seems hardly reasonable that in the final reorganization the operations of the coal and the steel companies will be consolidated, because of the attitude of the Nova Scotia miners, who most certainly would object to having the coal mines bear part of the load of the iron and steel properties.

The attitude of the miners of the Dominion Coal Company is that if earnings increase from the property, some of the profits should be devoted towards increasing the wage scale in the industry rather than to keeping alive an iron and steel industry in Nova Scotia which, some of the leaders feel, gives indications of being moribund. That is the attitude of the miners.

In the original squabble between the Dominion Iron and the Dominion Coal, the latter company had only a small outlet for its slack coal; it was largely sold to the Dominion Iron. But in the past few years the situation has changed radically. The Dominion Coal now finds a fair market for its slack coal output.

Miners Are Very Important

It is certain that the miners of Nova Scotia are not going to let the Dominion Coal Company sell slack coal to the Dominion Iron and Steel at a figure below prevailing market quotations in order to keep the steel industry alive. If the miners ever believe that the coal properties are helping to support the steel industry, labor troubles would immediately ensue once again.

Thus argue those who see no chance of a great unified industry. There really seems to be little chance of the present snarl bringing about a consolidation of the coal and steel properties. If the steel industry in Nova Scotia is to remain alive it will undoubtedly have to survive through its own efforts, they say.

This, however, is only one side of the story. It has not yet been proven that a profitable steel industry can not be established in Nova Scotia. The trust companies are not making any promises in this regard, they want an opportunity to study the enterprise from the inside before committing themselves. It may be said though that they are confident that a harmonious industrial machine, both mining coal and manufacturing steel can be shaped from the present Besco organization.

Certainly all Nova Scotia wants this and every effort will be made to bring it about.

Montreal Water Plant Returned

MONTREAL.—Following the legal action of the Montreal Board of Trade which saved the citizens of Montreal several millions of dollars, the city council has definitely handed back the plant and assets of the Montreal Water and Power Company to the company.

Practically all the stock in the company has been acquired by Senator Lorne C. Webster and his associates and public investment interest in the organization has been almost entirely eliminated. Since Senator Webster acquired the property, he has raised the dividend rate.

Dominion Textile Position Little Changed This Year

From Our Own Correspondent.

Montreal.—The plants of the Dominion Textile Company are now operating between 80 and 85 per cent. full time. It is understood that the results of the first quarter of the company's year, which ended June 30, were about the same as in 1926. The present outlook regarding the remainder of the year is much the same as it was a year ago. Little change in the earning power position of the company is anticipated unless some unforeseen factor enters into the textile situation before the close of the fiscal year on March 31, 1928.

Conditions throughout the cotton textile industry are not particularly satisfactory—nor are they particularly unsatisfactory. Whilst the volume of output in the industry has been increased over the corresponding period of a year ago, yet competition has grown keener thus reducing the margin of profit on the finshed product. Most of the companies find that what is made on the swings of increased production is lost on the roundabouts of increased competition.

These factors naturally have affected Dominion Textile, the largest textile company in the Dominion, and little change in the net profits has taken place as compared with the figures of a year ago.

Work has commenced on the large addition to the company's printing plant at Magog, P. Q. It is said that the extension will cost $1,000,000 to erect and that it will not be fully completed for two years. The new building is to be 600 feet in length and three stories in height.

Commercial Alcohol Is Expanding Production

From Our Own Correspondent.

MONTREAL.—While the Commercial Alcohols, Limited, has not yet brought its plant up to capacity of 500,000 gallons per annum, it is anticipated that production at this rate will be reached in the not far distant future, for the operations are being steadily expanded.

The company has declared an initial 25c dividend on its shares and it is thought that this rate will be maintained quarterly, although the stock is not yet formally on a $1 annual dividend basis. Earnings, however, are in excess of a $1 annually per share on the stock. The shares change hands on the Montreal Curb Market at around 15.

The company recently commenced purchasing its molasses from South Africa. Formerly the raw material came from the West Indies, but the preferential tariff in force with South Africa, it is anticipated, will allow the company to lower its production costs.

MORE IN HAY THAN GOLD

A ton of hay bought for $28 on the track at Hudson, Ont., costs $175 at Red Lake. A far-sighted prospector staked about ten acres of comparatively clear land at Snake Falls. The following summer he cut and stacked about twelve tons of wild hay which he sold to a transport company for $125 per ton in the stack; he has since ditched his pick and shovel in favor of a scythe and rake.—The Caduceus.

Canadian Cottons Earnings At About 1926 Level

From Our Own Correspondent.

MONTREAL.—Articles have recently appeared in the press indicating that the earnings of the Canadian Cottons have been largely increased since the close of its fiscal year on March 31 last. But the Financial Post learns that the earnings of the company are running at much the same level as last year—perhaps the profits may be a little in excess of the figures of the first quarter of the company's 1926 fiscal year.

Canadian Cottons does not benefit to the same extent as some of the other textile companies from expansion in the industrial field, for its output goes largely to the trade and not to the industrials. Any expansion in the general level of business activity is accompanied by an increased demand for cotton textiles for such purposes as window blinds; but Canadian Cottons does not stand to benefit materially from this type of business because, as has been said, its output largely goes to the dry goods trade. The company's plants are now operating at about 80 per cent full time.

As a sign of agricultural progress in the West, the International Harvester Company, Limited, have just sent two of the largest trainloads of threshers ever shipped to the West. The first train consisted of 43 cars with 111 threshers, and the other of 40 cars containing 103 threshers.

HARDING CARPET IS NEW COMPANY SOON TO OPERATE

New Brantford Organization Complete Raising of Initial Capital

A new rug and carpet manufacturing plant is to be opened at Brantford within the next three months. The company will be called Harding Carpets Ltd., and at the present time a complete unit for the manufacture of Axminster and Wilton goods, is being installed in the recently acquired plant in Brantford. This plant includes the entire property formerly operated as the Dominion Steel Products Co., which has now been purchased outright by Harding Carpets Ltd. The company's capitalization consists of $1,000,000 of 7 per cent. cumulative, preferred stock, and 20,000 shares of no par value common stock. At the present time there will be no public offering of stock, sufficient capital having been obtained by private subscription, to purchase the property and commence operations.

Victor Harding at Helm

The leading figure in this new enterprise is C. Victor Harding who will be president and general manager of the new concern. Until last year Mr. Harding was vice-president of the Toronto Carpet Manufacturing Co., the largest manufacturers of rugs and carpets in Canada. Mr. Harding was associated with the Toronto Carpet Co., for 34 years, and at the time that he severed his connection with the company, to go into the business for himself, he was director of sales, management, and design in the Toronto concern and of its branch in Philadelphia.

The plant which has been acquired by the new company covers some 10 acres of land in the city of Brantford. The plant comprises four buildings, with a total floor space of some 100,000 square feet. Three of these buildings will be used immediately by the company, and the fourth has already been leased to another company. The immediate plans call for the installation of a complete carpet manufacturing unit which can be enlarged from time to time as the business expands. The machines have been ordered from the United States and the company's products will be on the market in about three months time.

The manufacture of rugs and carpets in Canada is an industry which, according to the officials of the company, shows splendid prospects for growth. One of the big sources of revenue that is pointed to as an avenue of production, is the erection of new hotels that is going on apace in the country. At present there are at least half a dozen projects underway, and the company considers that it will shortly be in a position to make a strong bid for this particular type of business.

Gets Fixed Assessment

Overhead costs in the new plant should be kept within very reasonable limits. The company has been granted a fixed assessment of $50,000 for a period of ten years. This assessment is subject to the vote of the ratepayers on the third of August, but in view of the fact that the city council passed the by-law unanimously, the ratification should be merely a matter of form. The assessment is, of course, exclusive of school and local improvement rates, and for this purpose the assessed value is to be $150,000.

At present the amount of preferred stock issued by the company is $750,000. This stock is 7 per cent. cumulative basis and is redeemable by means of a sinking fund. One share of the no par value common stock was offered with each share of preferred stock. In a statement made to The Financial Post this week, Mr. Harding stated that the company plans to make a public offering of stock, probably within the next year.

At present the company will devote its attention entirely to domestic trade.

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Winnipeg Sinking Fund Records Improvement in '26

An increase of $1,396,574 in the sinking fund assets of the city of Winnipeg during the calendar year 1926, is reported by the trustees to the city council. The total income received by the trustees last year from maturing investments, income and all other sources, amounted to $4,571,327, made up principally of $1,340,998 in city sinking fund instalments, $1,078,442 in interest on investments and $2,104,226 in principal retirement. The receipts were applied, in the main, as follows: City of Winnipeg, accumulated sinking fund for retirement of maturing debentures, $561,187; investments made during the year, including interest to date of purchase, $3,489,533, and reserve for uncollectable taxes, $250,000.

The total assets at the credit of the sinking fund, including interest accrued on investments as at Dec. 31, amounted to $18,180,647.32, which consist of bonds of the Dominion of Canada and of various cities, towns, rural municipalities, school districts and other public bodies in the several provinces of the Dominion.

HOLD CARON MEETING

MONTREAL.—The bondholders of Caron Brothers, Inc., meet August 10 next, when they will consider a plan of issuing new securities, or some other form of reorganization of the company, which recently was unable to meet its bond interest and went into the hands of the receiver.

Plain and Cork Tip/
ORIGINAL
Melachrino
MO59
CIGARETTES
"The One Cigarette Sold the World Over"

RAILWAY EARNINGS

Week ending July 14.	1927	1926	Change
C. P. R.	$3,589,000	$3,525,000	+ $64,000
C. N. R.	4,731,594	4,653,924	+ 77,669

Grover-Daley Mines, Limited
(NO PERSONAL LIABILITY)

PROGRESS REPORT
for the Period Jan. 1st—June 30th, 1927

HEAD OFFICE: Room 523, 190 St. James Street, Montreal
MINES OFFICE: ROUYN, QUE.

Executive Officers
President, WM. T. MASON
Vice-President and Managing Director, HENRY J. STEWART
Secretary-Treasurer, W. E. SMITH, C.A.

Solicitors, CHAUVIN, MEAGHER, WALKER & STEWART, Montreal
Auditors, COULTER & JONES, C.A., Montreal
Transfer Agents, PRUDENTIAL TRUST COMPANY LIMITED, Montreal

Directors
W. T. Mason, E. V. Lewis
J. T. Smith, T. W. Anderson, T. H. Flett
E. A. Robertson, H. J. Stewart

July 15th, 1927.

To the Shareholders,
GROVER-DALEY MINES, LIMITED.

Ladies and Gentlemen:—

The following is submitted as a Progress Report covering Field Operations performed by this Company during the current year, and up to the 30th June, 1927.

As advised in Report submitted at the Annual Meeting, and dated the 14th of February, suitable Camps had been constructed for the accommodation of your employees.

As soon as these camps were available for occupation, arrangements were immediately made for the performance of a Development and Exploration Programme.

This Programme consisted in following up of discoveries made during the previous season's work, as well as carefully examining all unexplored areas.

On the known Veins, specially the Number Two, considerable surface blasting has been completed. Erratic occurrences of Copper Ore have been located over a considerable length, but up to the present time, none of these occurrences assume the importance of being termed as a commercial ore body.

In the Southwestern portion of your Property, a large mineralized area was located. This area has been explored by means of surface trenches, etc., etc. In addition, numerous test pits have been sunk varying in depth from 3 to 10 feet. This operation has demonstrated that Copper values are spread over a very large area, and further work is necessary in the hopes that a zone will be located, wherein the geological structure affords an opportunity for the concentration of Ore, and thereby create a deposit of commercial value.

A force of men are still at work on this Property, in carrying out the carefully planned Exploration Programme, advised by your Engineers.

With a view to broadening out the possibilities of your Company, the Board of Directors, on the advice of your Engineers, acquired by purchase at a reasonable figure, an additional block of 20 Mining Claims, all contiguous to one another, and having a total area of 800 Acres. This block is situated in the Township of Dufersnoy, approximately 5 miles in a Northeasterly direction from your main Group.

Within the past month, a Crew of men have been employed in preparing this ground for intensive plan of Exploration. Already our reports from this operation are of an encouraging nature. The geological features are favourable, and we are very hopeful that this work will shortly result in a discovery of commercial importance.

No diamond drill work has been performed during the period under review. Consideration was given to the performance of an Electrical Survey, but this was delayed for the reason that we wished to have further proof of successful results attained with this process by other Companies.

Your Directors are extremely anxious that the Shareholders of this Company should be conversant with the work under way, and although at this time it is impossible to make any statement of a positive nature, the Directors feel that in view of the encouraging character of the work so far accomplished, and the highly important discoveries made on surrounding Properties under somewhat similar conditions, that there is every reason to feel optimistic concerning results, which it is hoped will be obtained during the completion of the present development plans.

Your Company has been most fortunate in being able to make the financial arrangements they did, whereby it has placed your Treasury ($55,000.00 cash in hand) in a very comfortable position, enabling us to carry out all the work that has been contemplated this year, without selling any further Treasury stock. If this is exhausted, we still have 915,000 Shares available for future financing.

Respectfully submitted,
WM. T. MASON,
President.

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN.
Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
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TORONTO, JULY 22, 1927

IMPORTANT, SOME DAY

THE publication last week of recent official correspondence relating to the St. Lawrence Deep Waterway, has re-opened the floodgates of newspaper comment upon this highly controversial subject. Secretary Kellogg's note to the Canadian government, dated April 13, was of decided interest to those who have followed this subject from the first, in that it officially confirmed the attitude of the United States, in regard to an international waterway. Premier King's reply, which has been exactly three months in the making, is a simple and rather obvious statement of the position in which Canada finds herself in regard to the waterway.

Through its Secretary of State, the United States said in effect: 'We've adopted the proposed scheme for an international waterway on the St. Lawrence, and we are ready to enter into negotiations. How does the Canadian government feel about the matter?"

And Premier King, as Secretary of State for External Affairs, replied: "We have as yet had no report from our National Advisory Committee, which is investigating the economic and general aspects of the problem. They cannot prepare their report until the engineering board has made its complete report. As soon as this is done we'll be glad to talk the whole thing over with you."

It is not to be expected that the Canadian government should make any decision on the matter until the National Advisory Committee has made its report. No one has seriously doubted the feasibility of the scheme from an engineering viewpoint, but grave fears have been evinced that the scheme is not economically sound for Canada at the present time. So far, everything of an economic nature that has been published has been written from the American viewpoint. It is to correct this deficiency that the National Advisory Committee was appointed, and at present that body is collecting authoritative data on the general and economic aspects of the question from the Canadian point of view.

At any rate the publication of correspondence will serve to focus public attention on the problem. Already the opponents of the scheme have criticised the government for not repudiating the implication in the American note that both governments are definitely committed to the principle of the project. On the other hand, there is a general feeling among those who favor the scheme, that the government's delay is to be interpreted as cloaking a favorable attitude towards the scheme. This feeling is based on the assumption that while cognizant of the immediate antipathy that exists toward the project in some quarters, the government is enlisting time as its ally and hopes that when it has to commit itself on the subject public opinion in Canada will be generally disposed to favor the scheme.

At the present time, most Canadians removed from the areas that will be immediately affected, favorably or unfavorably take the view that the St. Lawrence waterway will be a good thing for Canada, and that we will want it in the not too distant future, but that tax reduction is more important to-day than new public works.

WOOLLENS AND ADVERTISING

CANADIAN woollen manufacturers are declared to have had an excellent public response to their traveling exhibit of Canadian merchandise. Placed on display in different cities and at annual fairs, this display of Canadian manufactured woollen cloths and garments has been of definite value in convincing the public that woollens and woollen goods manufactured in Canada rank in quality with the best imported articles.

What the Canadian manufacturers are doing in this manner is along sound lines; they are placing a concrete case before buyers and consumers; they are talking about the quality of the Canadian products and the good value that they represent rather than about the patriotic duty of Canadians to buy Canadian goods, willy-nilly.

The president of one of our largest woollen companies has expressed his disapproval of advertising as an economic waste. What he had chiefly in mind, no doubt, was paid advertising that tells the consumer about specific goods; he has not hesitated to speak generalities about the merit of purchasing goods made in Canada. That is advertising, even though it happens to be free advertising given by the publications that carry the speeches.

It may be that advertising would help the woollen industry to some extent, or at least some of the mills that have long contended that as their goods are not sold direct to the consumer, or as they are not trademarked, or as this or as that, they could not benefit from advertising. There are exceptions, striking exceptions, chiefly among Canadian knit goods mills, of Canadian firms that do advertise their wares on modern lines. Penman's Zimmerknit, Stanfield's, may be mentioned, and there are many others. The percentage of firms manufacturing cloths and advertising them, is much smaller and generally speaking, the cloth mills have been less successful than the knit goods mills, who have advertised to a large extent. It may or may not be significant that some of the British woollen cloth makers, who are most successful in this market are big advertisers.

If the woollen display means that Canadian woollen manufacturers are going in for more advertising, it must be regarded as a step forward, and a step that may signalize a continued advance towards the goal of prosperity for the Canadian woollen industry.

ELASTIC MORTGAGES

BRITISH laws permit a larger amount of discretion in the winding up of a company than do American laws.

In Great Britain, when a trust deed is being drawn up for a bond issue, regard is had for the possible need, some day, of saving the industry that is being mortgaged, by "nursing it along" and deferring foreclosure or winding up proceedings. Thus bondholders' resolution clauses are put into trust deeds providing for modification of the terms of the trust deed by vote of, say, half the bondholders representing three-fourths of the value of bonds outstanding.

Under American practice the tendency is to view the claim of any individual bondholder as inviolate; to consider that he should be permitted to exercise any right granted him by his bond just as though he were the only bond holder. The practice of permitting a large number of bondholders to outvote a minority holder has, up to the present, been frowned upon.

Canada wavers between the two practices, but has perhaps more often leaned to the British than to the American practice. This may now lead us into trouble with some of the states having blue sky laws. The chairman of the blue sky commission of one state has notified certain Canadian corporations that he will not permit their bonds to be sold in his state if they contain bondholders' resolution clauses. It may be questioned, though, if he is not fighting a losing fight; it is right that buyers of bonds should know exactly how they stand in regard to their individual rights under a bond issue, but nevertheless American financial sentiment is now swinging over to the British practice.

At the present time, one of the strong features in the British Empire Steel situation is that the various bonds have been issued under English type trust deeds and a certain amount of elasticity can be given by the bondholders to enable a successful enterprise to be created without the necessity of a sheriff's sale and distribution of assets.

TIME LIMIT FOR LAWS

WE SEE some recurrence of the suggestion that there should be a time limit for all laws passed by different legislatures. The purpose of such a proposal would be to insure that in the years to come our statute books will not, as in the past, become increasingly cluttered up with laws that have served their respective purposes, that no one enforces and no one observes, and that are out of date entirely.

There was a time in British and early American practice when this was done to some extent. Laws were passed incorporating time limits fixed at the time the laws went on the statute books. But this procedure had one weakness; no legislator was ready to admit that his law would become out of date inside of several generations, and the time limit was always fixed so far ahead as to make any time limit absurd. Thus the present suggestion is that all laws, when passed, should run for a certain number of years, with the term being the same for all laws. If it was desired to continue them at the end of the fixed period it would be necessary to have a new law passed at that time.

Apart from ridding the statute books of laws of no value or interest, the time limit might have a constructive effect in maintaining interest in laws that continue to be valuable and necessary. Who, for instance, observes the universal civic regulation that there shall be no spitting on sidewalks. Police in all cities seem to have forgotten that such a necessary piece of sanitary legislation exists. If the law automatically went out of force at the end of a certain time it would come up for review and, probably, again be passed. The attention thus given to it would revive interest in its enforcement. The advantages of the time limit are positive as well as negative.

In Canada, periodical consolidation and revision of the statutes brings different groups of laws, such as municipal, criminal, trustee, etc., under review from time to time, and much unnecessary legislation is dropped in the process. But the idea of a time limit on laws is worthy of some attention, particularly for those laws that do not come under normal consolidation and revision of the statutes.

OPPOSE STATE PRINTING

ONE of the largest printing establishments in Canada is operated by the Dominion government which has some printing done by private contract, but depends largely on its own print shop. Some of the provinces operate public printing offices, notably British Columbia, but in the main they depend upon private firms to do the work under public tender systems.

Printing by state establishments is open to the same criticism that can be soundly levelled at any type of publicly owned and operated business enterprise. There is no more reason for a government body to have all of its printing done by a government shop than for having all of the supplies it purchases manufactured in government owned and operated establishments.

In Great Britain, the war brought on a sudden growth in the stationery and publication demands of the British government and to meet the situation large public printing works were established. The government has been very slow to return to the normal state of depending upon private firms and The Federation of British Industries has taken up the question.

In 1923 a committee of enquiry was appointed by the treasury to enquire into the question of government printing establishments. The recommendations of this committee, which reported on March 2 last, may be summarized as follows:

1—That the government should continue to produce a part of its printing requirements.

2—That all work of a secret or confidential nature should be entrusted to the state printing works, which should be large enough to permit of a large expansion of confidential and other important work, in the event of a national emergency.

3—That a portion, not more than one-third, including both confidential and non-confidential work, of the government requirements should be carried out on government printing presses and the remainder under contract.

4—That non-confidential work should be put up to open competition, and that where the government works are able to show an estimated saving by comparison with the lowest satisfactory tender received, the work should be allotted to the government presses at the rate of such tender to the extent of their capacity.

5—That the state printing works at Harrow should be continued until 31st March, 1930, and the position then reviewed.

6—That the Hare Street works should be closed down, such work as might be desirable transferred to Harrow, and the surplus executed by contract.

The Federation in a recent letter to the Chancellor of the Exchequer draw attention to this report.

The Federation then proceed to record their conviction that printing, like other industrial activities can in general be more efficiently and economically carried out by private enterprise than under a department of state.

"None the less the Federation recognizes that, having regard to the political questions involved and the conditions existing as a result of the world war, the report of the committee represents a reasonable compromise between conflicting interests and points of view.

"In these circumstances, the Federation desires to express the most earnest hope that His Majesty's government will take steps at the earliest possible moment to put into operation the recommendations of the report, and thus to put to an end, for the time being, at least, to what has for some years been a source of unsettlement and controversy between an important industry and the government of the country."

All of which might be taken under consideration by Ottawa.

WHAT TAX CUTS DO

IN a Washington despatch we read the following:

"Tax collections of the Internal Revenue Bureau in the fiscal year 1927 totaled $2,865,695,509.86, as compared with $2,835,999,892.19 in 1926, an increase of $29,695,617.67.

"Income taxes were $2,219,831,014.41 in 1927, as compared with $1,974,104,141.33 in 1926, a gain of $245,726,873.08, and miscellaneous taxes $645,864,495.45, as against $861,895,750.86.

As each successive reduction has been made in the rates of income tax in the United States, revenues have climbed. Tax reductions stimulate business and provide a greater national income to tax.

Than which no more need be said.

Hudson's Bay Company's annual meeting addresses have more romance to thern than any fiction story.

Sees Stabilization of Gold as World Necessity To-day

Writer Delcares Fluctuations in Value of Money Rob World of Justice — Metal as Standard Is Sterile

By F. WIGGLESWORTH, British Writer. Copyright, Canada 1927, The Financial Post. World Copyright Reserved.

The Courts of England and Canada pride themselves on their administration of justice as between rich and poor, between debtor and creditor. In the law of contract there has been created a code of legislation and a body of law based on decisions to the end that the scales of justice may be held evenly in all mercantile transactions so that each element of the contract is safeguarded

Calls Gold Speculative

Weights and measures are fixed by invisible standards established by law, any possible ambiguities as to time, amount, place or other conditions of performance are resolved in advance or implicit in established custom reinforced by judicial decisions. But the one most important element, the money, in terms of which nearly every commercial contract is expressed, remains an uncertain factor because it in turn, is fixed in terms of a speculative article, viz: gold, the variations of which, as tested by its purchasing power in commodities, have ranged as widely as many another speculative article over the last hundred years.

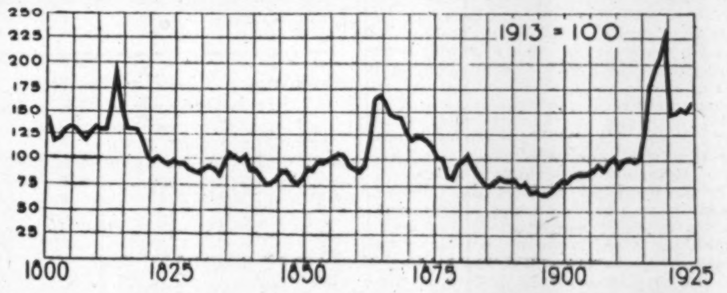

Diagram shows fluctuations in yearly average general level of prices. It is to flatten out these curves that "stable money" advocates propose their schemes.

We are unconscious to some extent of these fluctuations in the value of gold, because our vision is always centred on the values of the commodities measured by gold and not on the changes in the value of gold itself, which can only be arrived at by reference to commodities generally.

Safeguarding Gold Standard

The invention of money marked one of the greatest advances made by mankind from barter to scientific trading, but trading to-day is still little more than a form of barter conditioned by the use of certain metals such as gold, silver or copper, to facilitate exchange. A further great advance occurred with the discovery that a paper certificate promising payment in silver or gold would economize the use of these metals; but that device led to such gross abuses that new safeguards had to be provided. The most modern development lies in the establishment of central banks with government sanction directed by independent boards. These now exist in most civilized countries.

The control of paper money issues is now vested in bodies responsible to the several governments who are charged with the maintenance of the metal reserve needed to assure payment of the notes; but it is not yet fully realized that there is something more important than a guarantee of the exchange value of paper into one particular metal. What the public requires for the purposes of trade is not metal, but stability. High above all other considerations is the necessity that the dollar and the pound shall retain their value, unaltered and unalterable within a reaonable limit, in terms of their power to purchase principal ingredients of our civilized existence, the materials of commerce—not one only but all and as a whole. Nor had it been fully realized that it was within the power of our central banks to give the public such stability until the American Federal Reserve System, alarmed at an excessive inflow of gold from Europe after the war, which threatened to devalue gold and dangerously inflate mercantile prices, proceeded to "sterilise" that gold by putting it under lock and key so as to prevent its free operation in the markets. Gold till then had been treated with all the respect due a monarch, given his freedom to come and go and to dictate the destinies of men; but now he was imprisoned, brought under control and his powers curtailed, in the manner of a "limited monarchy." He was no longer free to dictate the movements of the market and hence the comfort and well-being of humanity.

Coping Stone for Edifice

That is the situation to-day; but the seal of public approval has not been set on the new order, the safeguard of public understanding and recognition has not yet been put behind the new dispensation, and it is because of the dangers inherent in a breakaway from the orderly control of gold itself that efforts are now being made by public spirited men in numerous countries to educate the public on this vast, complicated, and fundamentally important matter. They wish to put the coping stone on the fiscal edifice; to make our currency systems consistent with the latest developments of economic science. They intend that the tide of the market shall henceforth be tested not by the ebb and flow of gold but by the far more scientific measure of the index number of prices. The material is all ready. It is merely a case of applying it where it can be best applied, where it will function directly, not indirectly by several inadequate compromises. As it was discovered that the steam engine could, instead of relying on a piece of string in the hands of a boy, be made to actuate its own valves and so stabilize power, similarly, we have discovered that an automatic statistical device can regulate credit, and, hence, stabilize values, without the intervention of an erratic and unreliable third party—gold.

Like the Well-known Cow

There is a story of a farmer's youth who was being instructed how to plough a straight furrow:

"You see that cow over yonder?"

"Yes."

"Well, plough in a straight line for that."

When the farmer returned he found a furrow artistic in its curvature of line rather than useful for seed planting purposes.

"Well what on earth have you been doing?"

"Why, I followed the cow as you told me."

The direction to our central banks to follow the variations of the gold supply, to base their operations on a single metal, gold, to limit their currency and credit issues relative to the supply of gold in their vaults and, hence, to let fortuitous developments determine the value or purchasing power of money, is not more absurd than that.

Menace in Gold Competition

With the institution of so many central banks the competition for gold will become a menace to our progress unless a more enlightened and scientific process is evolved. Already anxiety has developed in England, where the gold supply is most sensitive to the demands of the open markets. The horizon is scanned for every potential demand whether from India or France or some new country adhering to the gold standard. England does not produce gold; if these demands were expressed in term of goods there would be no anxiety in England today and her trade would prosper. Her people go idle while her customers clamour for gold, increasing its scarcity and its value; yet it is not gold they want but goods.

Stability Ahead of Gold

Is it possible then to regulate the supply of credit so that stability of the general price level, embracing all the principal commodities of commerce, is ensured to traders? The Federal Reserve System has shown the way by placing gold in a condition of subordination to the greater purpose of stability. After all, the strangest argument of the adherents of gold is that it tends to stabilize values—an argument which proves to be worthless when put to the test of history. What the Federal Reserve System has done for America the central banks of the world can do by concentrated policy or by making the Bank of England and the Federal Reserve banks the guardians of world stability by making them not merely the bankers' banks of their own countries but the central banks of the world.

If gold refuses to submit to this regime; if it rises in value and threatens to increase the burden of all debtors and to pay unearned increments into the hands of all creditors, or if it falls in value and threatens to rob bondholders and prudent savers, we need no longer fear its powers since the note circulation and the bank credits will still represent a constant purchasing power in the world's markets irrespective of the stocks of any particular metal. In truth, once gold is put in its place, it will become servant not master. It will take its proper place in commerce since its value will be determined by its industrial worth.

Bury Gold When We Get It

It is one of the ironies of our modern existence that under present conditions the world ia compelled to waste the labors of many hundreds of thousands of its citizens annually in burrowing into the bowels of the earth, often under most unhealthy conditions, in order to bring to the surface a precious metal which is promptly buried from sight in the vaults of our treasuries and banks, never perhaps to see the light of day again. It is not the loss of interest that we have to regret; it is the waste of human lives. The United States treasury to-day holds over $1,000,000,000 of sterile metal, representing nearly the total production of the nineteenth century and more than the whole output of the South African mines since the inception of their gold production. We pride ourselves on the wonderful labor saving inventions of modern times, oblivious of the fact that in creating these vast hoards we are laboring as wastefully as did the Pharaohs of old who exhausted their people by rearing the Pyramids of Egypt. The native horder of India must be excused for burying his treasures through his ignorance. It is hard to find a valid excuse for our most advanced nations who set the example.

Sees Few Virtues in Metal

Many of the virtues attributed to the hoarding of gold as a means of controlling values were proved to be mythical during the war. Germany's huge stock of gold did not avail to bring her victory or to prevent unsound finance or violent inflation. Even in England the gold standard was suspended. Had the duty of the responsible authorities in England been that of maintaining stability of values at home, and not that of merely holding a stock of gold, inflation would have been prevented. An inflation of values was bound to take place in the industries that ministered to War, but the activities of the luxury trades would have been suppressed. We should not have had the phenomenon of the working classes apparently being more prosperous than ever in their lives, wasting their resources and the productive power of the nation on pianos and other luxuries when the nation was in the throes of the greatest conflict in its history. A currency regulated to prevent inflation would not have prevented the necessary activities from functioning as freely as ever. After all, the actual resources of war were found during the war and were not drawn from future generations. It is conceivable that the war could have been won without incurring debt, or, at least, without incurring more debt than was necessary for the acquisition of war material from outside resources.

Will Gold Output Keep Pace

A standard of value which breaks down in an emergency is worthless, but there is a more serious aspect still. Many of our economic experts are seriously perturbed that the production of gold is not likely to keep pace with the progress of humanity. If it fails to do so progress will be arrested and a gradual restriction of credit will come about through the inadequate supply of gold, robbing the producer of his efforts merely to hand it over to those who have command of the gold supply, to non-producing creditors.

No Compromise in Matter

Some of us know that the bone of English industrial life "ca'canny," is largely due to the feeling that the benefits derived from increasing output pass into the hands of a class who have neither toiled nor spun for them. This is true under a system which does not amplify credit to meet amplified production; and "ca'canny" is one of the most insidious diesases of mod-

(Continued on page 11)

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INQUIRIES INVITED

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply.

Power Corp.

Are the preferred shares of the Power Corporation of Canada an investment?

We regard the preferred shares of the Power Corporation of Canada as an investment. The shares are amply secured both as to dividends and as to earnings. Earnings of the Power Corporation are increasing.

Canadian General Trust

Will you kindly give me your opinion on my holdings of Canadian General Investment Trust stock and St. James Apt., Toronto, bonds?

The stock of Canadian General Investment Trust, Limited, is considered a promising investment. The company declared an interim dividend of 3% on July 1st last and we understand that it has been very successful in the few months that it has been in operation.

St. James Apartment bonds, sponsored by S. W. Straus, are well secured, and in view of the satisfactory yield, are worth holding.

Mayor Building

I have been canvassed to purchase the first mortgage bonds of the Mayor Building, Montreal.

I would be very glad if you will give me a word of advice.

I have been a constant reader of your paper for years, and have received some valuable hints from it regarding investments.

The first mortgage bonds of the Mayor Building, Limited, Montreal, rank among the better class of security of that type. A first class building is being constructed on valuable property in the uptown shopping district of Montreal, and there should be little difficulty in renting the greater percentage of the available office space. The company is well financed and is backed by responsible people.

A Yukon Subscriber

I ask you for a list of, say, six of what you consider good investments for a man who at times has a few hundred dollars to invest.

I have been in the Yukon for many years and I am completely out of touch with the financial world. I subscribe for The Financial Post but I find it very hard to know just what is really good.

A person living as far away from the financial markets as yourself is best advised to purchase only the soundest securities, that are not likely to give him any cause to worry should he be out of touch with them for some time.

It is not necessary, however, for you to stick to low yielding bonds. A well diversified group of high grade common stocks would give you higher profits over a term of years and would provide a good degree of safety.

Some securities we would suggest to you are C.P.R. stock, Montreal Light and Power, and Shawinigan Water Power Company, and Steel Co. of Canada. Some of the high grade mining stocks offer opportunities and have obtained a point of stability that makes them very high grade speculative investments. In this group we would place Hollinger, International Nickel and Teck-Hughes.

To purchase these securities, the best plan is to write to one of the reliable investment houses, giving them an idea of how much you have to invest, how much you wish to pay each month or year and indicating the type of securities you want to buy. They probably would make definite suggestions which you could go over.

German Bank Notes

I am holding a number of German bank notes, and would appreciate your opinion as to their value.

If you will write to the Head Office of the Banque Canadienne Nationale, Montreal, they will be able to give you full information with regard the potential value of German securities. However, old German bank notes may be regarded as of no value.

Eastern Dairies

I am a business man. With a background of bonds and sound common stocks I have included some of the preferred shares of the Eastern Dairies. Is this a satisfactory purchase?

Your Eastern Dairies preferred shares are an excellent investment for a business man. The company meets a basic need and no doubt you obtained a common stock bonus with your original investment in the preferred shares. You have already obtained a handsome profit on the common shares. The preferred stock in the company is now quoted between 96 and 99.

International Paper

Are the convertible debentures of the International Paper Company a suitable purchase for a business man?

International Paper convertible debentures, due 1941, yielding 6.1 per cent. at present prices look attractive to us as a business man's investment. These debentures are convertible par for par into preferred stock of the International Paper Company at the will of the holder, also they carry warrants which allow the purchase of two common shares of the International Paper at $40 per share before 1928. International Paper's common stock is now selling around 47. Thus, you can see that the International Paper debentures have attractions.

Goodyear Tire

Re: Goodyear Tire & Rubber Company of Canada—Can you give me any information regarding the earnings over a period of the last few years, prospects for the common stockholders, particulars of the capitalization and any general information that may occur to you to be of value in valuing this security. At what price is the common stock quoted?

There is a rumor of a possible common stock dividend this year. None has been paid for ever so long.

Goodyear tire is doing exceedingly well and it is practically certain that definite common dividends will be established this year. What is virtually a stock dividend will be paid when new stock is issued to common shareholders at $1 a share.

Capitalization consists of approximately $3,500,000 of preferred stock; $4,500,000 of preferred and $533,200 of common stock. Much of the prior preferred and most of the common is in the hands of the Goodyear Tire and Rubber Company of Akron, Ohio. The preferred stock is held largely in Canada.

Earnings have shown a substantial increase and in this connection the following figures of net profit will be of interest:

1922	$1,062,024
1923	1,032,334
1924	837,735
1925	1,049,440
1926	1,657,365

On this basis, the company earned $5.92 per common share in 1924; $9.89 per common share in 1925 and $21.29 per common share in 1926.

Just prior to the announcement of the new stock rights, the common stock was quoted at around $160 bid, while stock is offered at $170 by unlisted security dealers in Toronto. However, the best purchase for the investor is the preferred stock which enjoys a ready market at around par which yields over 7%.

Port Alfred Pulp

Would you tell me why the Port Alfred Pulp and Paper Corporation preferred shares have of late been selling a few points below par. Should I hang on to the stock?

The reason why the preferred shares of the Port Alfred Pulp and Paper Corporation are selling below par is because of the general hesitancy in the newsprint industry. However, Port Alfred is not only a large producer of newsprint, but it is also a large producer of chemical pulp. Thus last year it earned considerably more than its preferred dividends, and its output of newsprint was much lower than it will be this year. So far this year, the company has earned a substantial sum on its common stock. Thus there is no doubt that at the close of 1927 the company will show the preferred dividend earned. We believe that you can quite safely hang on to your holdings and await the better times which ultimately must come, so we believe, in the newsprint industry as a whole.

The price at which the stock will sell will depend upon two factors: the situation in the newsprint market and the amount of money in the hands of the public available for investment. We regard Port Alfred preferred as a satisfactory investment for a business man.

Manufacturers' Finance

As a regular subscriber to your paper will you please give me your opinion on the Manufacturers' Finance Corporation.

It seems strange that the company's representative is selling the stock for $1,250 per unit of 100 shares, with 50 per cent. common bonus, when dealers in unlisted stocks are quoting the same unit at around $825.

They appear to have a number of very sound local shareholders in my city, people who are considered to be well posted in the financial matters, also I note some good Eastern shareholders. I understand the company's representative states that a dividend may be expected on the common stock at some future date. The stock seems attractive when it yields around 10 per cent. and gives a bonus of common.

Shares of Manufacturers' Finance Corporation offer good speculative possibilities. The company is well managed and has done very well to date, its chief difficulty having been lack of sufficient capital to handle all the business that has been forthcoming.

The situation in regard to this company, where its stock is quoted by dealers in unlisted securities at considerably below the offering price, is one that is not uncommon to new enterprises. Some concerns are able to guard against it by making a very quick sale of their securities or by maintaining the market in some manner. Where this is soundly done it is much to be preferred to having the stock dealt in after sale at much below what people are asked to pay for it. Of course no very large amount of stock could be bought from the unlisted dealers at the prices they quoted, and you must consider this when looking at their figures.

About the only thing the individual investor can do when he has decided to buy a stock and is offered the opportunity of purchasing a stock at less than the price he would have to pay for treasury shares, is to accept this stock at the lower price. Very often he will find it impossible to get what he wants at a suitable figure, and any large number of investors pursuing such a policy would take up all the available stock.

Ordinarily when a stock shows such a drop in price so quickly, it is evidence of some weakness, but in the case of Manufacturers' Finance Corporation, we feel that the difficulty is due more to lack of public knowledge and interest in the security rather than to any fundamental weakness.

Page-Hersey—Cosmos

I have five hundred dollars in the bank and am now in receipt of another thousand dollars which I am anxious to invest. A broker has advised me to buy some Page-Hersey Tube and Cosmos Textile common. What is your opinion of these two stocks; are they reasonably safe and do they pay dividends?

We consider both Page Hersey Tube and Cosmos Imperial Mills excellent speculative investments at the present time.

Page Hersey Tube is a higher grade security than Cosmos. It is now paying dividends of $3 per annum which means that at the present price the stock is yielding a little more than 4 1/3 per cent. However, its earnings are probably at least three times dividend requirements, and higher dividends will come no doubt in time. We suggest the preferred. The yield is now higher and it is convertible into common shares at two common for one preferred. The preferred is selling at about twice the common quotation.

Cosmos Imperial Mills is not now paying a dividend. The report will appear shortly and is expected to show earnings of around $3 per share, fully justifying the present price.

When Women Invest

Woman Has Important Role To Play in Handling of Family Budget and it Links Closely with Investment Problems.

A WEEKLY FEATURE

Careful household management and a good system of handling family finances are essential for consistent saving. This is so much a part of, or least a prelude, to sound investment, that the magazine of Wall Street has given family budgeting quite a place in its editorial columns.

How joint management of the family budget brought good results and left money for investment is told by C. E. Harwood, in one article that seems to strike very close to the purpose of this weekly column, which is to help women—whether married or single—with their financial problems.

Most of us have to face the problem of accumulation before we can invest. In fact, it has seemed to me that saving, preliminary to investment, is the most difficult step in achieving financial independence. I base this statement on the remarks of friends who lament their inability to get free of debt, and save enough to begin investing. Having been married five years, during which we have managed a budget successfully, we think our plan is unusually good and has some interesting features.

Knowing, as everyone does, that the handling of family funds is frequently a source of much trouble, we determined to find a way around such difficulties. Marriage is a partnership, and in this day and age an equal one. Therefore, the wife should have an equal voice with the husband in family finances.

Is Mutual Affair

Running a home is essentially a mutual affair. Both must be liable for financial difficulties, and must feel equally responsible for management. A wife does not earn one-fourth, or one-half, or any other fraction of her husband's pay, but has an equal right in the management of all of it.

Having reached the foregoing conclusions, the problem was to fit our financial plan to those principles. The first step, taken in fact a few days before we were married, was to establish a joint checking account for the family income. As soon as we had settled in our home we started a budget.

Now there are budgets, and budgets. That is to say, the word means one thing to some people, and something entirely different to others. I have met men who thought that running a budget means jotting down expenses and, at the end of the month, balancing accounts to see what they have saved, or owe. Some think that budgeting is estimating their costs for a month, and then trying to live within the estimate. To others I have talked with on the subject, budgeting is dry and impractical. Our system has a vital difference that makes it very interesting and intensely practical.

Each month our income is divided according to our plan, and credited to the respective parts of the budget. The various items are more or less fixed for all homes. We split our funds for food, household, wife's clothes, my clothes, children's clothes, insurance, auto, miscellaneous and savings. These may be varied, of course, and made more detailed if desired. Each section receives the same allowance each month. All expenditures are recorded from day to day, as they occur.

Now we come to the distinctive feature. At the end of the month each column is balanced separately, and carried forward to the corresponding item of the next budget. This is done whether the balance happens to be plus or minus. As a result abnormal expenditure, say for food, do not come out of savings, but carry over as a charge against the next month. Sometimes we help out a minus column by declaring a dividend from some part of the budget that has a surplus.

The clothes sections are left to the management of the one concerned, and are not helped out except for extraordinary reasons. In deciding on the disposition of surplus from food and household, the final say rests with the housewife. In relation to auto and insurance surplus my vote decides. Half the savings are managed by one and half by the other with mutual help.

Considers Results Excellent

The results of our budgeteering have been excellent. First, we have both felt equally responsible for family finances. Second, we look forward eagerly to the end of the month and the new budget, hoping to record progress. Third, when tempted to buy something that has struck our fancy, the knowledge that it will be on the budget for keeps, makes us consider its real value. Consequently, we have more of the really desirable things than others in like circumstances. Fourth, financial progress becomes an interesting sport, rather than a fight in the dark. No matter how badly hit one or two columns are, some are sure to have a good surplus to cheer us up. Finally, we have avoided even a hint of a money squabble. This alone repays all the trouble some profess to see in the budget.

Ours, it seems to us, has been the ideal system and no other practical, every day thing could have had such a great influence on our happiness.

POST-Scripts

WHAT are business men interested in? What public speakers do they want to hear?

Answers to these questions, or at least partial answers to them, are found in the record of attendance at Toronto Canadian Club gatherings last season, as shown in the year book just published.

The largest crowd turned out to hear Right Hon. Stanley Bruce, prime minister of Australia, talk on Imperial problems. The attendance was 1,100. E. W. Beatty and Viscount Willingdon share second place with attendance of 1,000 each. Mr. Beatty's drawing powers are based upon his established reputation as a forceful speaker on Canadian problems. The governor-general was a curiosity on his first visit; when he comes again he will be assured of a good crowd because he has proven himself an after-luncheon speaker of the highest and most charming talent. Premier Coates, of New Zealand, was a good drawing card but he did not register with his hearers as did Stanley Bruce. Another speaker who came at the psychological moment to reap a harvest of listeners was T. Z. Koo, speaking on China, but he also let his audience down a bit. Hon. James W. Gerard, the Bishop of London, J. H. Woods, of Calgary, and Lord Darling had good audiences, showing that Toronto has not forgotten "My Four Years in Germany"; that it is a city of devout Anglicans; that it is ready to let a Westerner speak frankly to it; and that Lord Darling's witticisms have whetted people's appetite for more of them.

Toronto business men evidently are not interested in art. Arthur Lismer on Canadian art, Homer Saint Gaudens on art and civics and John M. Lyle on Canadian architecture were virtual "flops." H. B. Butler, of the International Labor Organization, Sir Henry Gauvain, on the treatment of crippled children; Prof. Oskar Klotz on West African diseases and Sir William Mackenzie on Industrial Arbitration in Britain were talking on subjects that interest too few people, it is apparent from their attendance figures.

SEES STABILIZATION OF GOLD AS WORLD NECESSITY TODAY

(Continued from page 10)

ern industry threatening as it does the industrial welfare of some of the highly civilized communities.

There can be no compromise in this matter if the world is to prosper. Humanity is not necessarily dependent upon the variations of the gold supply. Gold was not foredained to regulate human activities as the sun and the moon do. We have passed beyond the stage of the divine rights of kings or the worship of the "Golden Calf." The needs of humanity are paramount. Gold may still retain its value for the purpose of settling debts where nothing else avails but this condition can be permitted only subject to the wider and wiser control in the interest of humanity.

We must bring our monetary systems into confirmity with the latest discoveries of economic science. One of the most important of these is the fact that money varies in its purchasing power in accordance with the law of demand and supply, not according to some mystic quality inherent in any metal. Hence it follows: Our money must be given the quality of stability of value by regulating its volume—its supply.

New Grain Terminal for Calgary

Progress is being made upon the construction of the new terminal elevator at Calgary, which, according to contract, will be completed by October 1st. It is calculated to give this city a better market for grain in expedited grain movement and cheaper and more abundant elevator feed products. It will have a capacity of 2,000 bushels an hour and be one of the most modern terminal elevators in Canada. Formerly large supplies of screening have been shipped back to Calgary from points east and west to meet the demands of the Calgary stock yards, livestock and milk producers.

14 facts affecting stocks

14 important facts on over 100 leading Canadian Preferred and Common Stocks are given in the new 11th Edition of the Greenshields Analysis just issued.

These facts, bearing on capitalization, working capital, earning power, dividend record, and high and low prices over a period of years, are presented in very convenient form.

This analysis will be invaluable to you if you are interested in Canadian securities. A copy will be sent you on request.

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This Booklet should be of assistance to investors in planning a satisfactory distribution of their funds with regard to security and income, as well as for reference purposes.

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A copy will be sent upon request.

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Those, of course, are human contingencies the testator must bear in mind in drawing his Will. It would be safer and cost no more, to name a Trust Company in his stead, and you would have an undying, continuous, capable and experienced legal representative. Send for our booklets.

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6% First and General Mortgage Bonds
Due October 1, 1941

These bonds are well secured and under the provisions of the Trust Deed securing them a constantly increasing equity should result. The present market value of the Company's securities ranking junior to this issue is in excess of seventeen million dollars ($17,000,000). A circular giving full particulars willl be forwarded upon request.

Price at market to yield about 6.15%

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238

MANITOBA POWER CO. SELLS BOND ISSUE

$1,500,000 Is Offered at 99 Yielding Investor 5.57 Per Cent

MONTREAL.—To instal a fourth 28,000 horsepower unit, which will be in operation next month, and to construct transmission lines from the plant to Winnipeg and to the mining district of Manitoba the Manitoba Power Co. has issued $1,500,000 first mortgage 5½%, sinking fund bonds, series B. The issue is being offered publicly by Nesbitt, Thomson & Company.

The Manitoba Power Company now has three units in operation, producing 84,000 horsepower, and its power site on the Winnipeg River is capable of producing ultimately 200,000 horsepower. When the site is brought up to its ultimate capacity the bonded debt will be reduced to about $65 per horsepower.

Issue is Guaranteed

The new issue is guaranteed both as to principal and interest by the Winnipeg Electric Company. The Manitoba Power Company has a ten year contract with the Manitoba Paper Company, which already has one 125 ton newsprint machine in operation, and a second machine of the same capacity will be operating within a few weeks. In 1928 the Manitoba Power will commence furnishing power to the city of Winnipeg. This contract rises to a maximum of 30,000 horsepower in 1930, and for the ensuing six years thereafter, at which date it diminishes to 10,000 horsepower per year. By next month, the Manitoba mining sections will be purchasing 1,000 horsepower from the plant. Particulars of the issue follow:

$500,000 Manitoba Power Company

First mortgage, 5½ per cent., sinking fund, bonds, series B.

Dated July 1, 1927; due July 1, 1952.

Capitalization:

	Authorized	Outst'd'g
xCom. stock (n.p.v.)	100,000 shs.	100,000 shs.
1st mtge. 5½ Bonds Series "A"	xx	$10,000,000
1st mtge. 5½% Bonds Bonds Series "B" ..	xx	1,500,000

xWinnipeg Electric Company owns over 60 per cent. of this stock.

xxLimited by the restrictions of the Indenture.

Business: By August, 1927, will be producing 112,000 horsepower.

Guarantors: Both principal and interest are guaranteed by the Winnipeg Electric Company.

Contracts: The company holds contracts with the Winnipeg Electric Company, the Manitoba Paper Company, the city of Winnipeg, and various mines in Manitoba.

Security: The bonds rank equally with the series A issue, and are secured by mortgage on all the physical assets of the company.

Purpose of issue: To pay the cost of a fourth unit presently being installed at the plant, and to construct transmission lines.

Earnings: For the year ending May 31, 1927, the net earnings of the Winnipeg Electric Company available for interest charges on this issue were in excess of $1,000,000.

Sinking and improvement fund: Commences January 1, 1932, and amounts to 1 per cent. of the series B bonds outstanding. An additional sinking fund commences in 1935 equal to 1 per cent. of the series B bonds, which may be used either to purchase bonds or for permanent additions or improvements to the property.

Offered: July, 1927, by Nesbitt Thomson and Company, at 99 to yield 557 per cent.

COLLATERAL TRUST BONDS FIND FAVOR

Securities Pledged Important Point in Ascertaining Worth

Often the security for a bond is a pledge of personal property rather than a mortgage on real estate, such as land, buildings and equipment. Bonds so secured are called collateral trust bonds and the property pledged usually is stocks, bonds or notes. "Collateral" is an important, ubiquitous and high-sounding term in finance. It means simply, "something put up on the side." It's exactly the same thing as the pawnshop transaction wherein the borrower puts up his watch as security for a loan. Only, in collateral trust bonds, the borrower leaves his pledge with a trustee, usually a trust company, and if he doesn't pay interest and principal as agreed, the trustee may sell the collateral and pay the bond holders.

A great part of the short-term loans made by banks are secured by deposits of securities as collateral. It is an age-old method of securing short-time credit, and it was natural to apply it to long-term credit. Railroads were the first corporations to make a more general use of collateral trust bonds. Industrials and utilities followed. Holding companies find an economic advantage in thus financing subsidiaries. Securities deposited to secure a bond issue may be the corporation's own issues, or they may be stocks, bonds or notes of subsidiaries or of wholly unrelated companies.

The important point for the purchaser is to ascertain that the securities pledged are of sufficient worth to secure his bond amply. Another important point for the investor, is that the issuer of collateral trust bonds frequently has the right to take down the securities he has pledged and substitute others, with the consent of the trustee. This privilege is a practical necessity, because it may sometimes be of considerable profit to dispose of pledged securities. If the corporation pledging the securities is a strong, reputable concern, financed by a banking house that is intensely mindful of its reputation for sound financing, there is little or no danger of the substitution privilege being abused.

Zimmerknit, Stanford's For Toronto Stock Board

Application has been made to the Toronto Stock Exchange for the listing of the common and preferred shares of Zimmerknit, Limited, and the preferred and common shares of Stanford's Ltd., and these securities, it is expected, will be called for trading in the near future.

The outstanding capital of Zimmerknit, Limited, consists of $600,000, 7% cumulative preference shares and 25,000 shares of common without nominal or par value. The company has been in existence for twenty years and operates a modern textile plant at Hamilton. Its net assets amount to $1,202,236, which represents $200 behind each preference share. Average net earnings, before depreciation, taxes and dividends, over a period of four years ending with April 30th last, totaled $107,698 annually, which was 2.56 times preference dividend requirements and at the rate of $2.63 per share on the common, after the preference distribution had been met.

The capitalization of Stanford's Ltd., is divided between $500,000, 7 per cent. cumulative first preferred stock, $200,000, 7 per cent. cumulative second preferred stock, both of them with a parity of $100, and 20,000 shares of common stock without par value. The company conducts a high-class business in Montreal as purveyors of foodstuffs and provisions, and has been in existence since 1905. For the three and one-half years ending February 26th, 1927, the net earnings have averaged $111,283 annually, equivalent to $22.25 per share of first preferred stock. Net tangible assets amount to $716,933, equivalent to $143.38 for each share of first preferred stock.

Brading's Brewery Declares Dividend

A dividend of 50 cents per share on the common stock has been declared by the Brading Breweries, Ltd., of Ottawa. For over 60 years this company was carried on as a private enterprise, but a few months ago was changed to a joint stock company with a capitalization of $39,000 par value preferred stock and 21,000 shares of no par value common stock.

The company is not publishing any figures of earnings at present, but will follow a conservative plan of dividend payments, as large extensions to plant are expected to be necessary shortly. The company has no bank loans or mortgage indebtedness. The working capital position is good, current assets being more than twice current liabilities.

Demand for Brading products has been exceptionally good during the past year. Business in Quebec has showed a steady increase, and in Ontario it has been most satisfactory since the inauguration of government control. The common stock is listed on the Montreal Curb.

Kenora Paper Mills

The extensive alterations at the Kenora Paper Mills are now in full swing, and at the present rate of progress they should be completed by Oct. 1, at which time the efficiency of the Kenora Paper Mills, which now hold the single and double machine records for the world, should be materially increased.

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SYNDICATE OFFERS DETROIT BRIDGE CO. BONDS TO PUBLIC

Most Ambitious Project Undertaken in Recent Years

A simultaneous offer is being made this week in Canada and the United States of $12,000,000 first mortgage 6½ per cent. bonds and $8,000,000, 25 year participating 7 per cent. debentures of the Detroit International Bridge Co., by the Dominion Securities Corpn., Royal Securities Corpn., and McLeod, Young, Weir and Co., in this country and Peabody, Houghteling and Co., and Hemphill, Noyes, and Co., across the line. These securities are being offered at par, the first mortgage bonds being callable at 105 and the debentures at 120 to and including August, 1937, and thereafter at a premium increasing by one per cent. per annum to and including August 1, 1942, and thereafter and to maturity at 125.

The proposed bridge will connect Detroit with the border cities of Ontario—Windsor, Sandwich, Walkerville, Ford City, Riverside, Tecumseh and Ojibway. The Detroit terminal is planned to be located only a short distance from the West Grand Boulevard, approximately one and three-quarter miles from the City Hall, while the Canadian terminal will be at Sandwich. Access to all main roads south and west may be had direct from the bridge without passing through the busiest streets of Detroit. In addition, the proposed bridge will offer the shortest route from points north of Fort Wayne, Ind., to points in New England and Eastern Canada via Niagara or Toronto over the new King's Highway.

Bridge Over a Mile Long

The bridge proper is to be of the suspension type about 7,542 feet long, with a center span 1,850 feet long and 152 feet above the river in midstream. The deck will provide a 47 foot roadway, sufficient for five lines of vehicles, and an 8 foot sidewalk for pedestrians. The roadway will be divided so as to permit three lines of vehicles in the direction of heavy traffic and two lines in the reverse direction. The capacity of the bridge would be not less than 5,000 vehicles an hour in both directions if the flow were unrestricted by toll collections and the necessary customs and immigration inspection. Under existing conditions, however, it is expected that at least 1,800 vehicles can be handled.

Revenue of the bridge will be derived from three sources—pedestrians will be charged 5 cents each for a single trip; automobiles ,inc. driver, 50 cents, depending upon size of machine; trucks, including driver, from 50 cents to $2.25, an average for light trucks of $1.25, and on heavy trucks $2.25.

Estimated Earnings

It is estimated that in 1931, the first year of operation, that the gross revenue of the company will amount to $2,295,883, against which $283,050 is charged for operating expenses exclusive of depreciation, leaving net earnings available for interest, depreciation and federal income taxes of $2,012,833. A natural increase in revenue is estimated in the following years and by 1941, gross is expected to be $5,549,000, operating expenses $456,000, leaving a net of $5,093,000 for interest, depreciation and income taxes. Depreciation charges for the first eleven years are placed at $120,000 per annum, while the Federal income tax charges amount to 13½ per cent. Income available for additional participation on debentures and common stock dividends after providing for interest and sinking fund payments on funded debt, federal income taxes and dividends on preferred stock, are estimated at $458,201 for 1931 and increasing thereafter to $2,532,102 by 1941.

The above earnings are estimated on the present capital structure of $12,000,000 bonds, $8,000,000 debentures, $2,000,000 7 per cent. cumulative preferred stock and 100,000 shares of common. In the event of unforseen contingencies, however, an additional $2,000,000 of securities ranking equal with the debentures and the additional amount of authorized preferred stock may be issued.

Sunnyside Pier Financing Undertaken by Toronto Firm

A public offering of 200,000 ordinary shares of the Dominion Palace Pier Corporation, Ltd., at the par value of $10 each and in units of 5, is being made by the Provincial Improvement Corp., Ltd. There will be no prior claims or bonded debts.

It is proposed to erect with the proceeds of this issue an 1,800 foot pier extending out into Lake Ontario at Sunnyside, Toronto. Arrangements have been made to secure from the Toronto Harbor Commission a frontage of 200 ft. in the amusement area at Sunnyside. For this privilege a sum of money will be paid annually to the Commission as long as the pier is in operation.

The construction job will be in the hands of John A. Westacott, of Brighton, England, who has been brought over to Canada by the Provincial Improvement Co. This company has entered into a contract with the Dominion Palace Pier Corp. to build the pier and to pay to the company $150,000 for working capital.

Various attractions will be offered to the public on the pier. There will be a dance floor, skating rink, band stand, theatre, landing stage for boats, as well as numerous other features. Revenue will be derived from a fee for admission to the pier, while concessions for booths, stalls and entertainments will also provide a substantial income.

Piers of this type have been operating in England and the United States for a number of years. Unfortunately it is not possible to obtain any accurate information as to the earning power of these organizations. This is a new venture for Canada, and its progress will be watched with interest for, if successful, similar establishments may be started in Vancouver and other cities.

International Utilities

Directors of International Utilities Corporation have elected Ernest Uehlinger of A. E. Fitkin and Co., to membership on the board. They have also declared the regular quarterly dividend of $1.75 per share on the $7 preferred stock of the corporation, payable August 1, to stockholders of record, July 20th.

GOTFREDSON CO. UNITES ACTIVITIES

To Raise Additional Capital Through Bond Issue for Purpose

Gotfredson Corp., Ltd., 6½ per cent., first mortgage convertible bonds, to the amount of $1,000,000, are being offered simultaneously this week in the United States and Canada by Peabody, Houghteling Co., R. A. Daly and Co., and Royal Securities Corp.

The business of the Gotfredson Corp. was founded by Mr. Benjamin Gotfredson in 1912. Twelve years later, the present company was incorporated in 1924 under Ontario charter and with its predecessor has been engaged in the manufacture of motor trucks at Walkerville since 1920. In order to reach the American as well as the Canadian market, Mr. Gotfredson began the manufacture of motor trucks in Detroit in 1923, when the Gotfredson Truck Corp., of Michigan, was incorporated. At the present time the two companies operate plants at Walkerville, Toronto, Detroit and Los Angeles. Factory branches are maintained in twelve additional cities and sales agencies where services and parts are available in twelve more. Incident to this financing a plant at Cleveland is being acquired on satisfactory terms.

Will Consolidate Activities

By means of the present financing and certain transactions incident thereto the Gotfredson Corp., Ltd., will acquire all the fixed assets and not less than 95 per cent. of the capital stock of the Gotfredson Truck Corp., of Michigan, which it will operate as a subsidiary.

The company, in its several plants, will continue to manufacture a wide variety of trucks, ranging from a capacity of 3-4 tons to 7 tons, the bulk of the output being in the heavier types. It will also, as in the past, produce buses, fire apparatus and taxicabs.

Particulars of the issue follow:

$1,000,000.
Gotfredson Corporation, Ltd.
10-year 6½% First Mortgage Convertible Bonds

Dated July 1, 1927. Due July 1, 1957

Business—Manufacturers of various types of motor trucks, with plants at Walkerville, Toronto, Detroit, Cleveland, Los Angeles, and factory branches in twelve other centres.

Security—A closed first mortgage or mortgages on all fixed assets of the company, and by pledge and assignment to the Trustee of not less than 95 per cent. of the outstanding common stock of Gotfredson Truck Corporation, and 50 per cent. of the stock of a subsidiary Illinois Corporation. Net tangible assets of the company as of May 1, 1927, after giving effect to this financing, amounted to over $5,450 for each $1,000 bond, and net working capital, similarly stated, amounted to over $2,850 for each $1,000 bond.

Restrictions—No dividend shall be declared on its common stock for any capital expenditures made that would reduce its net working capital below $2,750,000.

Earnings—Annual consolidated net earnings of Gotfredson Corporation and Gotfredson Truck Corporation for five years ended December 31, 1926, available for bond interest, depreciation, taxes, have averaged $286,444, or 4.4 times the maximum annual interest requirements. Earnings for the four months ended April 30th, 1927, were $101,936.

Management—There will be no change.

Sinking Fund—$25,000 for each of the six months' periods ended June 30, 1928, and December 31, 1928, respectively; and at the end of each six months' period thereafter 10 per cent. of consolidated net earnings, but in no event less than $25,000.

Conversion—Convertible into common stock of the company at the following prices: to and including June 30, 1928, at $20 per share; thereafter, to and including June 30, 1929, at $21 per share; thereafter, to and including June 30, 1930, at $23 per share; and thereafter at $25 per share.

Redemption—Redeemable on July 1, 1928, at 105 and interest and thereafter on any interest date, the premium decreasing ½ of 1 per cent. each year.

Listing—Application will be made to list this stock on the Toronto and Montreal Stock Exchanges.

Offered—Peabody, Houghteling Co., R. A. Daly & Co., and Royal Securities Corporation, at 100 and accrued interest, to yield 6½ per cent.

Calgary Terminal Grain Shares Publicly Offered

A new issue of $200,000 7 per cent. cumulative redeemable preferred stock of the Calgary Terminal Grain Co., carrying a bonus of common stock with each share of preferred, is being offered by W. A. Faulkner, of Edmonton and Calgary, at $100 per share.

Upon completion of the present financing the company will have an authorized and outstanding capital of $200,000, 7 per cent., cumulative preferred stock of $100 par value, and 4,000 shares of common stock, of no-par value. The preferred shares are redeemable at 105, and are payable at any branch of the Royal Bank in Canada.

The company's plant is expected to be completed by the beginning of October this year, and will have a rated storage capacity of 150,000 bushels and an operating capacity of 20,000 bushels per 10-hour day. Gross earnings are estimated at $65,000 a year, from which will be deducted estimated expenses of $34,000, leaving a surplus of $31,000. From this will be deducted the preferred dividend requirements of $14,000, leaving a sum of $17,000 applicable to the common shares.

Calgary House Offers Biscuit Co. Preferred

The Calgary investment house of G. F. Tull and Ardern, Ltd., are offering for public subscription $125,000, 7 per cent. first preference cumulative shares of the Independent Biscuit Co., at $100 a share, carrying a bonus of one share of common stock with each share of preferred.

Proceeds from the present issue together with proceeds of the second preferred stock being purchased by the management at par, for cash, will be used to acquire the Neikson warehouse block in Calgary as a manufacturing plant, the adding thereto of one storey, and for the purchase of the necessary equipment for the operation of a biscuit factory. Sales branches are being established at Saskatoon, Regina, Moose Jaw Edmonton, Vancouver and Victoria.

Harvey Shaw, who in 1913 established the Northwest Biscuit Co. of Edmonton, and which was latterly merged with the Canada Biscuit Co., will have active charge of the new company.

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Hardware Store Group Increases Membership

The Dominion Hardware Chain which has been operating retail hardware stores in Ontario for some years, and which conducts a warehouse under the name of Hardware Products Ltd., is increasing its capitalization from $40,000 to $100,000, and increasing the number of stores which come within its scope, says Hardware and Metal. There are now approximately 30 stores in the organization. To this number are to be added 15 stores in the city of Toronto and 50 stores in outside points in the province of Ontario, making a total addition of 65 stores, and bringing the total of stores to be operated up to 95.

Hardware Products Ltd. will increase warehouse space as it is claimed by the directors of the organization that the present warehouse which was purchased by the organization some time ago is not sufficiently large to take care of the growing business of the company. An officer of the concern has stated that during the past three months there has been an increase of 300 per cent. in the warehouse business.

In connection with the addition of stores in other parts of Ontario, it is the intention of the organization to insist on carrying out the plan followed in Toronto under which the stores are painted a distinctive color and all use standard slogans. The idea is to identify stores of the chain no matter where located in the province. Under this new plan the organization expects to link up 95 stores including approximately 30 which have been operating as Dominion Hardware Stores.

There are two classes of members in the chain, comprising approximately twelve original members who incorporated the company, and who made the original investment in Hardware Products Ltd. The other retailers are members of the Dominion Hardware Stores but not of Hardware Products Ltd., though for the payment of a membership fee of $25 they are entitled to all the advantages of buying in the group. The members meet every Thursday morning to discuss their requirements, and a general meeting is held once a month. Stores must be located five blocks apart, according to one of the by-laws. It is thought likely that much the same plan of operation will be followed with the larger organization now planned.

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GOTFREDSON SALES AND PROFITS AT NEW HIGH FIGURE

In Four Months Company Earned $101,000 Net Profit

Consolidated net earnings of the Gotfredson Corporation Ltd., and Gotfredson Truck Corporation for the four months ended April 30, 1927, totaled $101,936. This compares with average net earnings for the five years ended December 31, 1926, of $286,444. The satisfactory growth of the business of the consolidated companies is indicated by the fact that in this period 392 trucks were sold, as compared with 1,024 for all of 1926, 1,065 in 1925, 588 in 1924, 318 in 1923 and 197 in 1922.

The net revenue received from sales in the four months' period totalled $1,880,185, of which the Canadian company accounted for $1,286,058 and the American organization $594,126. Net sales have increased steadily since 1922, when they amounted to $2,007,607 to $4,729,179 for the calendar year 1926. At the present rate of distribution, net sales for the current year will set a new high mark.

Consolidate Two Companies

New financing is now under way to provide the necessary funds to bring about a consolidation of the activities of the various Gotfredson companies operating in Canada and the United States. Giving effect to this financing, which amounts to $1,000,000, 6½ per cent. bonds, assets at the end of April last, totaled $6,984,884, of which $4,146,612 represented current assets. Cash on hand and in bank is set at $256,599, while notes and accounts receivable, less reserve for bad debts, total $2,055,478. Interest in affiliated companies is set down at $207,854, while permanent assets, including land, buildings, machinery, etc., amount to $2,190,512. In addition there is $211,244 among the deferred assets for experimental and development expenses, etc.

On the other side of the balance sheet, current liabilities total $1,293,560, so that the working capital of the consolidated companies totals $2,853,052. Long term liabilities, which include mortgage bonds and debenture property not used in business, total $1,560,126. Paid in surplus amounts to $1,482,715. in addition to which there is a surplus by appraisal of $221,254 and an earned surplus of $141,728, making a total of $1,854,698. There is also a contingent liability of approximately $1,403,075 for notes payable, and land contracts on notes receivable with banks and finance companies.

INTERNATIONAL PAPER ASSAILS SHAWINIGAN'S SUPREMACY IN QUEBEC

(Continued from page 1)

altogether appreciate the attitude of Mr. Aldred regarding the sale of power in the province of Quebec and promptly erected a plant of his own in conjunction with Price Brothers and Company.

The next act in the drama of hydro-electric development is laid in the valley of the Ottawa and Gatineau rivers. It is said that when the International Paper Company was first considering the Gatineau development, the big American paper company had its eyes on Carillon. But the Shawinigan interests stepped in and obtained a license.

Shawinigan Was Ready

Shawinigan came to an agreement with the Ontario Hydro-Electric; the governments of the provinces of Quebec and Ontario were both in accord on the development plans, but Sir Clifford Sifton once more appeared in Ottawa hat in hand and claimed prior rights. While Sir Clifford Sifton was not successful, yet he prevented the development at Carillon by Shawinigan and associated interests — at least for a time.

Now comes gossip from Ottawa indicating that the International Paper Company, through the Gatineau Power Company, stands a good chance of obtaining the rights to the site.

Already Sells Power There

One of the reasons why it is said that the Gatineau Power Company stands a good chance of developing Carillon is the fact that the Carillon site is situated on the interprovincial boundary and the Ontario Hydro-Electric Power Commission is entitled to its proportion of the power developed. But, the Gatineau Company has already concluded an agreement with the Hydro-Electric Power Commission and will deliver power to the commission from its Gatineau plants. Power from the Carillon site could be transmitted over the same lines.

It is said that the Ontario commission would be ready to do business with whatever company develops the site.

Serves District Also

Moreover, through its purchase of the Ottawa-Montreal Power and the Quebec Southern Power, the Gatineau Power Company now serves the entire area around Carillon. In fact, the purchase of the smaller power companies gives the International Paper's subsidiary a large distributing territory, extending from Ottawa into Quebec and Ontario, along the Ottawa Valley to the Island of Montreal. In addition, it now serves the area immediately north of the Island of Montreal.

Thus it can be seen that should the Gatineau Power Company press its claim to develop the Carillon site, it has some reasonable grounds at least. On the other hand, Shawinigan Water and Power Company originally obtained a lease from the King government which has since expired and is entitled to a chance at any renewal.

All as Yet is Rumor

As yet, there is nothing but gossip and rumor forthcoming regarding the Carillon power site situation. There is no real information to indicate that either the Gatineau Power Company or the Shawinigan Water and Power Company will acquire the site. But if either company does acquire Carillon, it is certain that the successful applicant will be able to claim the crown of power production supremacy in the Dominion.

Articles have been printed in some daily newspapers, indicating that the present weakness in the shares of Shawinigan is due to the fact that it will not be successful in obtaining the Carillon power site — but announcements of this kind are most certainly premature. The possible entry of the Gatineau Power Company into the Carillon situation may, of course, have had some effect on the stock, but the decline of 15 points in Shawinigan shares cannot be attributed to this alone.

Due to Some Manipulation

It is said that there has been a considerable amount of manipulation of the shares of Shawinigan recently. Pools have been operating in the stock and there has been, so it is understood, some short selling. This would probably influence the stock a great deal more than the Carillon situation. Whether Shawinigan acquires Carillon or not, it will continue to increase its earnings and in view of the excellent industrial territory which it serves.

UNLISTED SECURITIES

	Bid	Asked
Burns, P., pref.	98½	..
Brooks Motor, 1 pref. & 1 com.	3½	4½
Can. Machinery, com.	5	7
Can. Westinghouse, com.	170	..
Chase, A. W., com.	4	8
Do., pref.	60	70
Dom. Combing Units	12	18
Fanny Farmer, com.	29	32
Do., pref.	29	31
Farmers Dairy, com.	85	..
Farmers Dairy, pref.	100	105
Goodyear Tire, com.	150	..
Goodyear Tire, 6% pref.	99	100
Goodyear Cotton, pref.	94	103
King Edward Hotel, Deb. B.	58	63
King Edward Hotel, Deb. A.	70	74
Loew's Buffalo, pref.	37	42
Nat. Grocers, 1st pref.	94½	97
Nat. Grocers, com.	1	4
Mortgage Discount, pref.	6	6¾
Toronto Finance, pref.	3	4
Insurance—		
British America	30	..
Canadian Fire, Full Pd.	105	110
Canada Life	900	..
Canada National	15	20
Capital Life, 20% Pd.	22	25
Casualty of Canada, Full Pd.	165	..
Commonwealth, 10% Pd.	20	24
Confederation Life, 10% Pd.	73	..
Continental Life, 20% Pd.	52	56
Crown Life, Full Pd.	190	..
Dom. of Can. Guar. & Accident	275	..
Dominion Fire	105	..
Dominion Life, 50% Pd.	400	..
Excelsior Life, 30% Pd.	75	..
Federal Life, 25% Pd.	28	..
Fidelity of Canada, Full Pd.	130	140
Great West Life, Full Pd.	425	440
Imperial Life, 85% Pd.	350	..
Manufacturers Life, 40% Pd.	300	..
Monarch Life, 10% Pd.	38	..
Montreal Life, 20% Pd.	50	56
National Life, 25% Pd.	70	74
Ontario Equitable, 10% Pd.	29	..
Security Life, 40% Pd.	..	22
Sovereign Life, 25% Pd.	37	40
Sun Life, 75% Pd.	1000	1100
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Western Assurance, Full Pd.	33	..

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OLIVER'S RETIREMENT LIKELY TO FORCE VOTE; BIG ISSUES INVOLVED

(Continued from page 1)

area of Peace River land, which the province claims from the Dominion Government in return for railroad concessions in the past, it is probable that P.G.E. will be offered an extensive subsidy in Peace River land. Indeed, the government already has taken action during the last session of the legislature to provide itself with authority to negotiate on that basis. The Conservative party may propose one of three courses—to abandon the railway altogether and make a motor highway of it, to retain ownership of the line and continue with its development, extending the road from Squamish to Vancouver in the south and from Quesnel to Prince George and the Peace River in the north. The third alternative would be to negotiate with outside buyers but modify the terms. It is beginning to look, however, as though the government has got to be very generous in its dealings with outsiders if it really wants to get rid of the property, under present conditions an enormous liability.

Taxation Problems Loom

There is the question of industrial taxation and business taxation, and succession duties. The government has made many changes in connection with these levies lately and most business men are agreed that conditions are now better than they used to be under the system in force a year ago. However, the situation is not regarded as perfect by any means, and an election issue is likely to emerge from it.

Railway rates, which were used by the government in the last election, are hardly likely to cut much figure in the next contest, it is believed, as there is a general conviction among business men that freight tariffs should have nothing to do with politics and that a settlement of any differences in that connection is more likely to be satisfactory if worked out by conference with representatives of the railroads themselves. The feeling is becoming more prevalent that arbitrary legislative enactments to control the railways, unless solidly based on economic conditions, will in the end do more harm than good to the Pacific Coast and that the interests of the railways as well as of the coast should be given full consideration before drastic changes in tariff schedules are demanded of the government or the

B. C. Fish Has Not Set Opening Prices

Aemilius Jarvis, the president of the British Columbia Fishing and Packing Company, Ltd., says that the opening prices have not yet been made, the British Columbia canners wishing to await more definite knowledge of the pack in Alaska, as a short pack there would mean less competition of their fish in the foreign markets. He added that the latest reports from the Pacific Province were that the Alaska fishing shows poor returns; that bad weather at Rivers inlet, in British Columbia, has retarded the catch, and the pack in this area is less than last year; that on the Skeena River and beyond the catches are practically the same as last year; that, as yet, the sockeye run is still undeveloped, but reports from all quarters show a gradual improvement; that unless warmer weather prevails in the Rivers Inlet area their packs will not be as large as last year.

Tenders and By-laws

July 28, Township of King—$31,000, Township of King, 5 per cent., 30-year debentures. J. L. Jenkins, Township Clerk, King City.

Aug. 4, Kenora—$138,773, 5 per cent., 26 and 30 instalment debentures. F. J. Hooper, treas. (See announcement on page 16).

July 25, City of Hull, P.Q.—$202,000, 5 per cent., serial debentures. H. Boulay, city clerk.

July 25, School Municipality of Escoumains, P.Q.—$10,000, 5½ per cent., serial bonds. J. Boulianne, sec.-treas.

July 30, Municipality of Colombourg, P.Q.—$8,000, 5½ per cent. debentures. E. Cloutier, sec.-treas.

August 2, Town of Ste. Agathe des Monts, P.Q.—$130,000, 5 per cent., serial bonds. R. Daze, Sec.

August 3 City of Joliette, P.Q.—$35,000, 5 per cent. 30 year serial bonds. A. L. Marsolais, sec.-treas.

Saskatchewan

Authorizations granted by the Local Government Board from July 2 to July 9, 1927:

Schools—Wynyard, No. 2,499, $7,000; Embury, No. 4,157, $4,700; Riverbank, No. 918, $1,800; Marigold, No. 3,438, $7,000; Esther, No. 4,706, $2,900; Queen Centre, No. 2,354, $2,500; Heathland, No. 1,166, $2,000; Hayward, No. 845, $600; Crystal Springs, No. 984, $2,500; Assiniboia R. T., $5,000; Wood End R. T., $1,550; Village of Val Marie, $1,600.

Debentures Reported Sold

Birch Hills, No. 315, 10,000, 20 years, 5¾ per cent., Houston, Willoughby & Co.; Biggar S.D., No. 2,397, 26,000, 30 years, 6 per cent., C. C. Cross & Co., Regina; Crooked Valley, No. 2,122, $1,000, 5 years, 5¾ per cent., Regina P. S. Sinking Funds; Dufferin, No. 1,888, 1,000, 10 years, 5¾ per cent., Regina P. S. Sinking Funds; Dysart S D., No 1,449, $7,000, 20 years, 5¾ per cent., E. N. Moyer Co., Regina; Pinto Creek R. T., $2,300, 15 years, 5¾ per cent., Houston, Willoughby & Co.; Baljennie R. T. Co., $700, 7 years, 6%. E. Mitchell, Baljennie; Verwood R. T. Co., Ltd., $3,300, 15 years, 5½%, Geo. Moorhouse & Co.; Wakaw Village, $5,000, 10 years, 5¾ per cent., H. J. Birkett & Co., Toronto.

More than 3,000 motor registrations have been recalled and insurance policies cancelled in Massachusetts because of failure to pay the premiums under the compulsory automobile insurance law.

ORE RECEIPTS AT TRAIL

Ore receipts at Trail Smelter of the Consolidated Mining and Smelting Co., from July 1 to 7, inclusive, and from Jan. 1 to date, in tons, are as follows:

Company's mines	9,044	215,180
Other mines	2,522	84,797
	11,566	299,977

This Week's Bond Sales

Grand Mere, Que.

Royal Securities Corporation were the successful tenderers on $138,000 5 per cent., 30-year serial bonds of the Town of Grand Mere, their bid, 99.69, making the cost basis 5.03 per cent. The bids were:

Royal Securities Corporation	99.69
Credit Municipal	99.14
L. Normand, Inc.	99.12
Wood, Gundy & Co.	99.10
A. E. Ames & Co.	99.075
Versailles, Vidricaire & Boulais	98.81
Mead & Co.	98.81

Unlisted Bonds

	Bid	Asked
Abitibi Fibre 6s, 1947	97	97⅝
Abitibi P. & P. 6s, 1940	104¼	105
Algoma Steel 5s, 1962	27¾	28¾
Alberta Pac. Grain 6s, 1946	97½	98¼
Bell Telephone 5s, 1955	101	101¾
Belgo Can. Paper, 6s, 1943	101	102
Brandram-Henderson, 6s, 1936	96¾	98½
B. C. Pulp & Paper 6s, 1950	85	90
Brompton P. & P. 6s, 1946	98¾	99¾
Burns, P. & Co., 6½s, 1943	102½	104
Calgary Brewery 5s, 1942	92	94
Calgary Power 5s, 1940	92¼	93½
Canada Biscuit, 6½s, 1946	102½	103¼
Canada Lt. & Pr. 5s, 1949	91¼	93
Can. Nor. Power, 6s, 1941	101⅝	102½
Can. Paperboard 7s, 1937	98½	100
Can. Steamships 5s, 1943	98⅝	99¾
Can. Steamships 6s, 1941	97⅞	98¾
Can. Steel Foundries, 6s, 1936	104⅝	105¾
Davies, Wm., 6s, 1942	94	95½
Dominion Iron 5s, 1939	32	34
Dominion Pr. and Tr. 5s, 1932	96¾	97¾
Drummond Invest. 6½s, 1938	98¾	99½
Duke Price Pr. 6s, 1966	103⅞	104⅝
East Kootenay Pr. 7s, 1942	103⅛	104½
Elec. Development 5s, 1933	100	100¾
Famous Players 6½s, 1943	98½	100
Fraser Co. 6s, 1950	98	98¾
Gatineau Power 5s, 1956	95⅞	96¾
Gatineau Power, 6s, 1941	100	100½
Howard Smith P. & P. 6s, 1941	103¼	104¼
International Paper 6s, 1941	97½	98½
King Edward Hotel 7s, 1944	92	95
Lake Superior P. & P. 6s, 1941	104⅝	105¾
Laurentian Pr. 6s, 1936	103½	105
Laurentide Pr. 5½s, 1946	100½	101½
Maritime Tel. & Tel. 6s, 1941	104	105
Manitoba Pr. 5½s, 1951	99¼	100
Mercury Mills 6½s, 1942	100¾	101¾
Mont. L., H. & Pr. 5s, 1951	99¾	100½
Mont. Pub. Service 5s, 1942	98¾	99¾
Nor Can. Pr. 6s, 1945	101	102½
Nor. Ont. L. & P. 6s, 1946	101	101⅞
Nor. West Utilities 7s, 1938	98¾	100
Nova Scotia Steel 5s, 1959	63	69
Nova Scotia 6% Debs.	31	35
Nova Scotia Tram. 5s, 1946	91½	93½
Nova Scotia Tram. 7s, 1952	99	100½
Ont. Pulp & Paper 6s, 1931	108½	110
Ottawa Hull Pr. 6s, 1948	103	104½
Ottawa L., H. & Pr. 5s, 1953	103⅝	105
Ottawa Mont. Pr. 6½s, 1949	102⅛	103
Ottawa Trac. 5½s, 1955	100	101
Ottawa River Pr. 6½s, 1953	101½	102¼
Port Alfred P. & P. 6½s, 1943	100¼	101½
Price Bros. 6s, 1943	102¾	103¾
Prov. Lt. Pr. 5s, 1946	101	102
Rio Tramway 5s, 1935	95	96
Sao Paulo Tram. 5s, 1929	97½	98½
St. Lawrence Paper, 6s, 1946	96½	97¾
St. Maurice Valley 6s, 1945	98¾	100
St. Maurice Pr. 6½s, 1953	107	107¾
Shawinigan W. & P. 6s, 1950	104½	105¾
Simpson's, Ltd., 6½s, 1945	103	104
Southern Can. Pr. 5s, 1955	98¼	99
Spanish River P. & P. 8s, 1941	106½	107½
West Kootenay Pr. 6s, 1943	103¼	105

BOND MOVEMENTS OF THE WEEK

Week Ending July 19

Bonds	Int. Rate	Due	Yield	Range High	1926 Low	Range 1927 High	Low	Ask	Latest Price Bid	High	Low
Asbestos 1st Mtge.	6	1941	5.91	101⅝	98¼	102	92¼	101⅛	99⅞	100¾	..
Do. G. Mtge.	6	1956	6.56	83¾	81¼	94⅛	88	92⅝	91⅝	92⅝	..
Can. Locomotive	6	1951	6.08	98¼	95	100	99	..	99⅝	99	..
Dom. Iron	5	1929	10.58	94	86	92	69	91	..	88	..
Montreal Tram. "A"	5	1955	5.29	95	92½	96¾	94¼	95¾	95⅝	95¾	95⅝
Quebec City	5	1939	5.00	100	91⅛	100	96	..	100	100	..
Wayagamack	6	1951	6.08	100⅝	90	100	97	99	..	99	..
Winnipeg Elec.	5	1935	5.14	95⅛	94	99	99	99½	99	99	..
War Loan	5	1931	4.67	100.40	100.35	101.85	100.75	101.30	101.00	101.10	100.85
Do.	5	1937	4.55	104.95	102.75	103.90	102.95	...	103.75	103.90	103.60
Victory	5½	1927	4.98	102.50	100.15	101.00	99.85	100.40	100.20	100.25	100.05
Do.	5½	1933	4.68	106.35	103.20	105.20	103.90	104.55	104.40	104.50	104.30
Do.	5½	1934	4.95	104.40	102.65	104.10	103.00	103.20	103.10	103.25	103.05
Do.	5½	1937	4.53	103.90	106.70	108.20	106.90	107.95	107.70	108.00	107.60
Do., Renewal	5½	1927	4.75	101.95	100.00	100.80	99.90	100.25	100.05	100.10	100.00
Do., Renewal	5½	1932	4.95	103.90	102.00	103.55	101.85	102.50	102.00	102.30	101.95
Do., Refund	5	1928	4.85	101.35	99.00	101.45	99.75	100.25	100.00	99.90	....
Do., Refund	4½	1940	4.55	96.95	95.60	100.05	96.60	98.75	98.00	98.20	98.05
Do., Refund	5	1943	4.70	102.80	101.10	103.90	102.30	103.40	103.00	103.30	103.05
Do., Refund	4½	1944	4.60	97.15	95.70	100.10	98.05	99.00	98.25	98.70	98.20
Do., Refund	4½	1946	4.59	99.60	95.65	100.25	96.70	99.00	98.25	98.80	98.25

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Canadian National Railway
4½% Bonds - 1957
Price: 98.50 and interest to yield 4.60%
Bell Telephone Co. of Canada
5% Bonds - 1957
Price: 102.50 and interest to yield 4.85%
United Securities, Limited
5½% Bonds - 1952
Price: 100 and interest to yield 5½%
International Paper Company
7% Preferred Stock
Price: $97.25 per share
City of Sherbrooke, Quebec
4½% - 30 Year Serial Bonds
Price to yield 4.80%
Full particulars on request
RENE-T. LECLERC Incorporated
Montreal:- 160, St. James St.
Quebec:- 71, St. Peter St.
(ESTABLISHED 1901)
E223

We recommend
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BROWNE, URQUHART & COMPANY LIMITED
INVESTMENT BONDS
180 St. James Street, Montreal

We recommend
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Preferred and Common
DENMAN & CO. LIMITED
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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS.

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Richmond Twp. Sch.	July	Unknown	5%	20-yr.	$26,000	....	...
Rossland	July	Unknown	5%	20-yr.	66,500	....	...
Trail	July	Unknown	5%	20-yr.	27,000	....	...
Summerside, P.E.I.	July	....	5%	20-yr.	16,000	100.514	...
Grand Mere	July	Royal Securities Corp.	5%	30-yr. Ser.	138,000	99.69	5.03
Hamilton	July	Locally	...	....	308,000	....	4.70
Saskatchewan Schools, etc.	July	Various	...	....	56,300	....	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Manitoba Power	July	Nesbitt, Thomson & Co., and U.S. Syndicate.	5½%	1952	$1,500,000	99	5.57%
Gotfredson Co.	July	Peabody, Houghteling, Royal Securities and R. A. Daly & Co.	6½%	10-yr.	$1,000,000	100	6½%
Detroit Internat'l Bdge Co.	July	Dom. Securities and Can. & U. S. Syndicate.	...	25-yr.	20,000,000	100	
Stock Issues—							
Lord Nelson Hotel	July	H. R. Bain & Co.	7%	Pref.	$640,000	100	7%
		(With bonus of one share of no par value, cum for every five shares of pref.)					
Independent Biscuit Co.	July	G. F. Tull & Ardem	7%	1st pref.	$125,000	100	7%
		(With bonus of 1 share com. with each share pref.)					
Calgary Terminal Grain Co.	July	W. A. Faulkner & Co.	7%	Pref.	$200,000	100	7%
Guelph & Elmwood Park Hotel	July	Company	...	Pref.	$100,000	...	...
		(Bonus of 2 shares no-par com. for 1 share pref.)					
Dom. Palace Pier Corp.	July	Provincial Improvement Co.	...	Com.	$2,000,000	$10 (In units of 5)	.—

Hudson's Bay Company.

INCORPORATED 2ND MAY 1670.

7

HUDSON'S BAY COMPANY

REVIEW OF THE VARIOUS DEPARTMENTS

THE LAND SALES

COMPETITION IN FUR COLLECTING.

DEVELOPMENT OF THE SALESHOPS

THE DECLINE IN TRADING PROFIT

SITUATION IN CANADA

IMPROVEMENT IN BASIC CONDITIONS

THE GOVERNOR'S SPEECH

A General Court of the Governor and Company of Adventurers of England Trading into Hudson's Bay was held Tuesday, June 28th, 1927, at the City Terminus Hotel, Cannon-street, London, E.C., England.

Mr. Charles V. Sale (the Governor) presided.

The Secretary (Mr. J. Chadwick Brooks) having read the notice convening the meeting and the report of the auditors,

The Governor said:—My lords, ladies and gentlemen,—I need hardly tell you, since you have heard it many times, how well the company has been served by its Canadian committee, which now consists of Mr. George W. Allan, K.C., Mr. George Galt, and Mr. James Thomson; and I know you will be delighted to hear that one of them is here to-day. Mr. Allan, who is now its chairman, has been member of our Canadian committee since 1914, and he has been member of our London committee since 1925. When I was in Canada in 1925, and again in 1926, he was my travelling companion in tours from the Atlantic to the Pacific, occupying on each occasion between three and four months. I can speak then from personal experience of our guest as guide, philosopher, and friend, and I can testify to his unrivalled knowledge of Canadian affairs, his admirable judgment, and his devotion to the interests of your company. I hope I may be able to persuade him to address you in the course of these proceedings, and in the meantime content myself with offering him on your behalf a very hearty welcome. (Cheers).

The Farmer and the Builder

[Having dealt with the accounts the Chairman continued.]

The outstanding feature of these accounts is the decrease in profits from trading and the absence of any final dividend in respect of trade. Until a short time ago we had reason to anticipate better things, but, as the old poet says, Zeus does not ratify all the designs of men; and our trading in saleshops has been affected in various ways by unexpectedly adverse conditions. That this should have occurred in a period during which such large additions have been made to the capital invested is a cause for disappointment, but, on analysing the reasons, not a cause for discouragement.

Let me remind you, then, of what is fundamental to this part of our business. In Canada the trade of the city reflects the condition of the country. Our saleshops depend primarily upon the activities of the farmer and the farmer depends upon the seasons. By great misfortune unfavourable weather commenced in September, 1926, just when bright sunshine was required for what had promised to be a really wonderful harvest. The first snows fell thickly on sheaves unthreshed and fields still uncut. This calamity tested the energy and endurance of the farmer to its utmost, and though the crop was ultimately saved with a yield which, measured in bushels, fell but little short of the record, it was, when measured in quality, below the average standard, so that the crop realized less money than anticipated. This long-drawn-out harvest resulted in the farming communities having less money to spend and less opportunity of spending it during the closing months of the year, when we always expect the most trade.

The builder, like the farmer, depends upon the weather, and in Winnipeg especially the removal from the old saleshop to the new one was delayed, so that the stocks which had been prepared for an earlier removal and for normal weather suffered a double setback. Throughout the entire 12 months Vancouver business felt the inconvenience due to the demolition of the old building, which curtailed the available space during the period of replacement.

"The Long View"

Anyone who knows the difficulty of settling down with builders still in possession will appreciate something of the problems which our managers have had to face, in addition to the drawbacks involved in a greatly augmented staff, many of the recruits being without previous experience. The expenses and losses incidental to these circumstances and changes have been entirely written off in the accounts under review. Taking all these matters into consideration, the downward trend of prices and the fact that we are steadily extending the scope and volume of our trade, and taking the long view, we feel that the year has been one of successful effort, though the harvest of our endeavours may be delayed.

Before leaving this subject—the results of trade—may I refer to letters received from several of the proprietors unable to be present to-day who express regret and disappointment with the figures. As a shareholder myself I can sympathize with this disappointment and the existence of a somewhat critical attitude, but, when these correspondents go further and suggest that the new capital should be immediately reflected by an increase in profits, I feel that they are as unreasonable as the man who expects to gather apples to-day from seedlings planted a year ago. There is only one way of seeing things rightly, and that is seeing them whole. It is difficult for anyone without actual experience to realize the complexity and detail which go to make up, first, the building, then the staff, and then the organization of a great business such as that in which we are engaged.

The New Steamer

Passing now from the accounts to a review of the various departments, I commence, as I did a year ago, with transport. Your new steamer, Bayrupert, which sailed from Gravesend on June 3, 1926 completed her maiden voyage to Hudson Bay, and we have to thank Mr. John McLaren, our consulting engineer for many years past, for designing this vessel to the requirements of our special trade. While lying off Chesterfield Inlet, on the west side of Hudson Bay, the Bayrupert spoke by wireless to the steamers Baychimo and Baymaud, which, having sailed from Vancouver on the other side of the continent, were delivering supplies to your posts in the Western Arctic. Thus verbal communication was held between vessels separated by 600 miles of Northern wilderness.

The steamer Nascopie delivered supplies to the company's posts in Hudson Straits and Baffin Land and then proceeded to points still farther north, establishing new posts at Tukik and Sikinik. We have certain posts established on inlets which our large steamers cannot navigate with safety, and we have therefore acquired three motor schooners, each of about 100 tons, which have been renamed Fort Garry, Fort James, and Fort Severn. These vessels will also be of use in other ways, as in the collection of fish and the distribution of supplies from central points.

Inland Water Transport

In addition to the ocean-going vessels, we have, as you know, an inland water transport service, plying along the Peace River, the Athabasca River, Slave River, and northward on the Great Mackenzie to Aklavik in the Western Arctic. This service during the summer months last year transported over 2,000 passengers, 8,000 tons of merchandise, and 35 tons of mail. These figures are not large, but the service is the only one of its kind in the regions far north of the fertile plains of Canada, embracing many hundreds of thousands of square miles, in which the widely scattered population probably numbers less than 10,000 all told. When the rivers and lakes are frozen over, the work of transportation still goes on, for the trading posts, the missions, the natives and others must all be fed and kept in touch with civilization. In this important winter service we use horse and dog sleighs, which last winter travelled 140,000 miles and distributed 880 tons of supplies and 20 tons of mail, and I leave it to you to imagine the difficulties under which these far-flung lines of communication are kept open. The work carried on by the men in this service is undertaken as a matter of course, without advertisement, as part of the business. The men of the H.B.C. indeed take pleasure in these arduous journeys; thus, for example, an English boy, who entered our service three years ago, wrote home to his parents before starting on a dog-sleigh journey of 400 miles: "It is just the sort of life I like; so much excitement in it!"—a remark which suggests to us that the romance of the fur trade still appeals to the spirit of adventure in the heart of our people.

Growth of Canada and the Company

Before proceeding to review the operations of the fur trade department, may I draw your attention to the map of Canada which is now before you, and was discovered among our records a few days ago? When federation was accomplished in 1867, the Dominion of Canada comprised the four Provinces—Ontario, Quebec, New Brunswick, and Nova Scotia, and Prince Edward was added in 1873. The area of these five Provinces, with their boundaries as they existed in 1867, was six or seven times that of England. To-day the Dominion of Canada is 70 times larger than England, and by far the greater part—if, indeed, we may not say all—of this difference is due to the surrender by your company in 1870 of Rupert's Land, as defined in the Charter, and which on this map is coloured green, and to the lands which your company saved to the Empire by prior claim or occupation—the Arctic regions in the North and British Columbia in the West.

The red circles represent the fur trading posts which were in existence when the map was prepared, which I think would be about 1860. Many changes have since taken place, and on the whole the number of posts has largely increased. The red patch which has been placed over Greenland shows, on the same scale as the map itself, the relative size of England, and the orange-coloured flags have been placed to show to you the northerly trend of our venture, each flag representing a new post established in recent years.

When I first saw this map I realized as never before the magnitude of the accomplishment of the Governor and Company of Adventurers of England trading into Hudson's Bay. Change was bound to come, and, as a company, we may rejoice that this accomplishment was saved for the Empire by the surrender in 1870 to more powerful trustees. We still play, as you will gather from my remarks to-day, a very practical part in the life and development of the Dominion, and so its jubilee on July 1 is a celebration in which we can proudly unite.

Competition in Fur Trade

With this illustration before your eyes of the vast territories still covered by the fur trade, I will now pass on to consider its operations. The total collection of Outfit 256, with which the present accounts are concerned, was about the same as in Outfit 255, but the short supply of furs in some areas and competition in others have made them more costly.

In this question of competition you will realize that, as the Hudson's Bay Company, we are at a disadvantage as against the itinerant trader, who, with attractive luxuries and baubles of small weight and compass, can travel lightly and swiftly during the most favourable season of the year. But the roving trapper is a still greater danger because his one idea is to secure the largest possible amount of fur within the shortest space of time, and he has no scruples in the use of poison or other short cuts to the extermination of fur-bearing animals.

The Company's Responsibility

Upon your company, on the other hand, falls the responsibility of providing the scanty and scattered population of the great areas of the Northern Territories with the necessaries of life, which could not be done without the extensive and costly transport service to which I have alluded. Not only have we to stock ordinary supplies, but we have to be prepared for contingencies. We cannot afford to run short, because in a good fur year the successful hunters may demand the lot, while in times of famine or distress the improvident natives look to the company for food, medicine, and clothing, in exchange for their promise to bring us the results of their trapping. What we record in our accounts as "Indian debt" is a large expense incurred in order to maintain the population. From this expenditure by the company the small trader benefits without any corresponding contribution.

Our records show, however, that this competition has always existed. Many years ago a wise old Indian chief put the position in his own eloquent and picturesque way:—

"Why," he said to his tribe, "do you trust these traders who come amongst you with beads and fire-water? They are but as the crows that come and are gone, but there are traders on the banks of the Great Lake yonder who are never absent, neither in our time nor in the time of our grandfathers and great-grandfathers. They are like the rock which cannot be moved, and they give good goods and plenty, and they are always the same."

Conservation of Fur-Bearing Animals

The completion of the railway to Hudson Bay will intensify competition of this nature over a larger area than ever before. It is therefore no matter for surprise that the Department of North-West Territories in Ottawa has expressed its concern and desire to conserve the fur-bearing animals from reckless extermination. Our interest in the conservation of the fur trade is no less great, and our influence has been used to this end for generations past.

In the days when the company's dominion marched with the fur trade, and beaver was the most desired fur, it was the rule of the company to restrict each district to the collection of a certain fixed number of beaver skins. We discouraged the hunting of beaver, or any other pelt, out of season, and strictly prohibited the killing of beaver in summer. In former times, when the Indians had the trapping in their hands, they loyally backed this policy, which was as much to their advantage as our own, and the pelts taken from each beaver colony were seldom in excess of what would keep the number stationary. This wise husbandry maintained, if I might so put it, the "stock" on which the industry depends, but to-day there is undoubtedly serious risk of depletion due to reckless and indiscriminate slaughter, in and out of season, of the beaver and the other beautiful fur-bearing animals which make for the life and prosperity of those northern regions. It is in this connection that we have recently entered into arrangements with the Revillon Frères Trading Company, of Montreal, who own many posts contiguous to our own, which will enable both companies to avoid undue competition in the establishment of new posts, to consolidate their efforts on transport routes, and at the same time to co-operate in measures for safeguarding the interests of the native population, which, throughout our long association with the country, has been one of the primary objects of your company.

Stock Farms

We have, however, long realized that, while conservation is necessary in the best interests of the fur trade, it represents a negative policy and that it may be possible to adopt more positive measures. Of such is the farming of fur-bearing animals, and experiments have already passed the stage in which success was dependent upon the sale of breeding stock, and farms are now becoming a source for the supply of pelts. While the value of such pelts sold from fur farms in Canada in 1925 was only about 4 per cent. of the total fur production it is nevertheless an indication which we think it desirable to follow. We have, therefore, acquired a share interest in two fox farms in Prince Edward Island, and look upon this not merely as an experiment but as a step in extending our fur trade to the three Maritime Provinces, in which so far we have never had any representation.

Arrangement With the Moravian Mission

We have to report another interesting transaction during the year in connexion with the Labrador coast, where we have been trading for over 90 years. During that period we have worked in the closest harmony with the Unitas Fratrum in Anglia, generally known as the Moravian Mission Society, established with the support of the English government shortly after Labrador became a part of the British Empire by the Peace of Paris in 1763. Through the efforts of James Hutton, the chief member of the society, and a friend of both John Wesley and Dr. Johnson, the mission secured grants from the Crown for several hundred thousand acres of land with certain exclusive rights which they still hold at the pleasure of His Majesty.

About the same time—namely, in 1770—some of the Brethren formed the Labrador Company to trade with the native, the profits being surrendered to the Mission Society. While this association with trade was a necessity when Labrador was out of touch with the world, it has, in these later days, become an obstacle to the religious activities of the society, who find a relaxation of moral fibre among the Eskimos. These people tend more and more to regard the satisfaction of their wants as an obligation of the missionaries, due to them without any corresponding effort. Following upon an approach to us by the Mission Society, we have now entered into an arrangement for taking over this trade, while the society will continue its educational and religious activities as it has done for 150 years.

With this extension we have completed a chain of posts on the Labrador coast from Cartwright, in the south, to Port Burwell, in the north.

Fur Commissioner's Statement

The Fur Trade Commissioner has sent me the following information for this meeting. While the various new regulations for extended close seasons in connexion with fur-bearing animals may at some posts cause a temporary decline in our fur collection, it is confidently expected that these necessary efforts towards conservation will eventually be to our advantage.

The collection for Outfit 257, just ended, will compare favorably in quality and quantity with the previous year. All transport and other arrangements necessary to carry on the operations of Outfit 258 with success are well in hand. Owing to the late break-up of the ice in Great Slave Lake, our first river steamer will not arrive at Aklavik until July 14, or three weeks later than in 1926. I wish to assure you of the loyalty of the staff of the fur trade department, and that it is fully equal to meet any situation it may be called upon to meet, however difficult that situation may be.

Tribute To The Staff

This last sentence is a reminder that it would be ungrateful in me to leave the fur trade without saying something of our fur trade staff; and let me first refer to the high standard set by our predecessors in this department, due in large measure to the manner in which the staff was organized under the Deed Poll of 1821, under the provisions of which there was a line of promotion from apprentice to clerk, post manager, trader, chief trader, factor, and chief factor. How well this system succeeded we have ample testimony.

"It is impossible," wrote Simon Dawson after visiting the company's posts in the year 1858, "not to admire the order and system which are everywhere observed in the management of the company's posts and trade. It is a vast system of economy, carried out with the utmost sagacity and foresight in all its detail, and a system, too, which seems to work equally well under circumstances widely different. In the back settlements of Canada as on the stormy shores of the Labrador, among the warring tribes of the plains, or in the frozen regions of the Far North, it seems to be alike successful."

And the Marquis of Lorne, speaking in Winnipeg in 1881, when he was Governor of Canada, paid an even higher tribute to the company. "Let me advert," he said, "for one moment to some of the causes which have enabled settlers in the vast North-West country to enjoy in such peace the fruits of their industry. Chief among these must be reckoned the policy of kindness and justice which was inaugurated by the Hudson's Bay Company in their treatment of the Indians. The wisdom and righteousness of their dealings on enlightened principles, which are fully followed out by their servants to-day, gave the cue to the Canadian government."

Restoration of Ranks and Commissions

Owing to the changes following upon the deed of surrender, the ranks and titles of our line of promotion were abandoned, but we have thought it a pity to give up so excellent a tradition, and so have decided to revive them and also the commissions formerly given to the chief factors. These commissions will be restricted to the fur trade and will follow, as far as possible, the wording of 1821, with such changes as modern conditions require, and we feel sure that these much coveted parchments will be appreciated by many of our men, who carry on, as their predecessors have done, under the spell of the company's service and the spacious surroundings of remote regions.

Distinctions of honor are of no small consequence to loyal men who value the old traditions, and the old and dignified wording of these parchments serves to remind them, and us, that if to-day we are what we are it is because the men of bygone times did not stop to count the cost, but followed the path of duty with a whole heart and a single mind.

Apart from this step, which affects men of proved experience and a certain age, we have instituted a system of recruiting and training apprentices which is proving satisfactory, and we hope within a few years to make up for the shortage experienced of late years, following upon the retirement of the older men, enlistments during the Great War, and the recent extensions of our fur trade. I allude to this aspect of the subject because it is of great importance to you to know that in our plans for the future we are making this very necessary provision throughout the service.

The Saleshops

The third of your three great departments, the saleshops, is the one which has absorbed the greater part of the new capital in the acquisition of sites, the erection of buildings, and the provision of larger stocks to meet the requirements of a much larger trade. This expenditure and these developments are a further stage in the policy agreed upon in 1910, when it was decided to prepare for the future, for the time when the revenue from land might be expected to diminish. You will gain some idea of the changes which have been made in pursuance of this policy from the photographs which are in your hands.

The additions to your saleshop in Vancouver were completed some months ago, and in design, construction, and situation this saleshop will hold its own as a credit to the great city, in the centre of which it stands, for many years to come. The manager sends the following message to you:—"Despite the late spring season, which has not been helpful and has affected all trade, I look upon prospects with satisfaction. The volume of our trade continues to increase and we hope to make good use of the larger space which has been placed at our disposal."

Winnipeg

In Winnipeg progress has not been so rapid as we anticipated, for reasons already given, but the external structure was completed in time for the occupation of three floors in November, 1926, and the internal fittings are now in course of completion, so that we hope to take over the entire premises from the contractors within the course of the next few weeks. The Winnipeg Electric Company duly completed the construction of the double-line street car tracks which directly connect the lines from the southern portion of the city with those running along Portage Avenue, and within a few months the municipal authorities will complete the opening of the Memorial Boulevard. The valuable nature of this corner site in the centre of the greatest city of Western Canada will then be fully apparent, and I am sure the people of Winnipeg appreciate not only the enterprise of the company but also the fact that they have given to the city a piece of architecture which will harmonize with their wonderful Parliament Building.

Calgary and Edmonton

The Calgary saleshop stands in the centre of another great city and is equally a credit to your company. So is the one in Victoria, and I may say that the manner in which these branches are developing is most satisfactory. We have completed the acquisition of additional properties next to our Edmonton saleshop in readiness for suitable extensions as soon as conditions are ripe. A greater future has opened up for Edmonton since the increase in mixed farming and the introduction of new and early maturing varieties of wheat, which extend the Wheat Belt much farther northward. We have no buildings in Regina, the capital of Saskatchewan, but are the owners of a central and very suitable site. When our present developments have been consolidated we feel that it will be really necessary to consider the erection of a saleshop in this growing and prosperous city.

Land Department

Now I come to the land department, and the distribution of £150,000 which it is proposed to make from this account speaks for the improvement which has taken place, both by way of larger receipts from farm and a welcome diminution in the taxation which has fallen so hardly upon us during the last ten years. The town sites are still a heavy drain upon our income—£29,000 following £27,000 in the previous 12 months. Some proprietors think we should have sold these properties years ago for what they would fetch. There have been times when we were sorely tempted to adopt this course, but, if we had yielded to the temptation, it would have increased the burden upon the communities which have grown up within the boundaries of our former possessions, and we felt it a duty to carry on in those critical times during the war and the depression which followed the declaration of peace, from which, contrary to almost all other interests, real estate has not yet emerged.

Moreover, the first condition for success in Canada is faith in the destiny of the country, and that the Governor and Company of Adventurers have never lacked. Although we must admit some disappointment in the long deferred realization of our hopes, we think there are signs of that filling up of the cities and growth of population on which such hopes must be founded. The best evidence we have of such a trend is the steady sale by the municipalities of city lots which have been forfeited for non-payment of taxes. According to our information these realizations are now growing in volume year by year, and the time may come at any moment when these communities will realize that really suitable lots are no longer plentiful.

Sales During Past Year

We commenced the year with 2,819,000 acres of unsold farm lands; during the 12 months we have taken back 137,000 acres under "cancelled sales." This represents a further stage in the process of clearing up land purchased during boom periods by speculators who have failed to pay more than the preliminary instalments. We have still some outstandings of like nature which may increase our unsold acreage, but the future number of such re-investments is not likely to be so large as it has been during the last few years. We have sold 271,000 acres and we have also surrendered to the government 8,300 acres under the agreement of December 23, 1924. Certain adjustments have still to be made under that agreement, but for practical purposes you may assume that we have very little more to receive from the government.

We therefore close the year with 2,780,000 acres of unsold farm lands dotted in lots of 640 acres, or less, throughout what is known as the Fertile Belt. Over 90 per cent. of these lands is suitable for farming, and our holdings of really poor land have been reduced to less than 5 per cent. of the total. There is an impression that land for farming purposes in Canada is unlimited in quantity. So it may be, if distance from market and price are not considered. Careful survey shows, however, that the acreage still available at a reasonable price, within reasonable access to transportation facilities, is not very great, so that it will be satisfactory to you to know that over three-fourths of your acreage is favorably placed in this respect, lying as it does within 10 miles of a railway line, taking that distance as the crow flies.

As regards prospects, the Land Commissioner sends the following message:—"Sales for the four months between February 1 and May 31, 74,000 acres, against 98,000 acres in the corresponding period a year ago. Total gross receipts for the four months $820,000, against $990,000 a year ago. The decline may be attributed to unusually wet weather throughout the spring, which not only retarded movement but for a time created much uncertainty regarding the crop. The prospects for the remaining months are difficult to forecast, but the outlook for agriculture generally is now promising, especially in Saskatchewan and Alberta, where ideal growing weather has prevailed during the month of June. I think the proprietors may look forward to fair returns for the year."

The Oil Leases

While dealing with land you will naturally expect me to say something about oil. Last year I referred to the drilling leases which had been granted to various companies on a royalty basis. Under those leases three wells have already been commenced in widely separated and fairly promising fields. Although now down to 2,400-ft., 3,000-ft. and 3,500-ft., respectively, they have not yet shown any indication of oil. I have much pleasure in telling you that shortly after our last annual meeting we entered into an agreement with Mr. E. W. Marland, president of the Marland Oil Company of America, for a geological survey and study of the provinces within which our lands are situated, and especially in those areas in which conditions appear to favor the presence of oil. Mr. Marland has made great discoveries in regions similar in character to those prevailing in the Prairie Provinces, where buried ranges and hills may form the fundamental geological conditions for the accumulation of oil. Consequently, he brings to this work an invaluable fund of experience and knowledge of the strata which extends in a northerly direction from the United States to the Western Arctic.

You have an indication of the enthusiasm and energy which Mr. Marland displayed in furthering the objects of this agreement in the fact that although the documents were only signed in London on the 9th July the first geological work was commenced in Canada within less than three weeks, with a staff working under the direction of Dr. W. van der Gracht, vice-president of the Marland Oil Company, and that before the close of 1926 the field parties had explored the country as far north as the Peace River. The winter months have been spent in analysing the publications available in Canada and in planning operations for the summer work of 1927, which is divided between eight completely equipped expeditions, each covering a separate territory. Mr. Marland tells me that he hopes the result of this reconnaissance will enable him to form some opinion in the early part of next year regarding the prospects which the Dominion may offer of building up a well-balanced oil industry.

A New Company Registered

We have registered a company in Canada, namely, the Hudson's Bay Marland Oil Company, for the purpose of defining the interests of the Marland Oil Company and of ourselves, and we think the proprietors are fortunate in obtaining this co-operation with Mr. Marland on terms which are mutually satisfactory. I wish to take this opportunity of expressing our appreciation of the assistance which the new company is receiving from the Dominion government, the Canadian Geological Survey, the provincial governments, and the University of Alberta. We have also experienced the same friendly welcome from the Canadian Pacific Railway and the Imperial Oil Company of Canada, both of whom have placed their information regarding oil prospects at our disposal, and a like friendly welcome has been extended to us by the British American Oil Company of Toronto. This will, I think, indicate to you the broad attitude of these great institutions, which take the view that the production of oil in Canada, however, obtained, will be benficial to the country at large.

I am very anxious to make our position clear in connexion with the possibility of discovering oil. For the time being we are only engaged in a process of investigation, and, although the results so far are encouraging, we have not made any discoveries, nor does Mr. Marland expect to recommend or undertake any drilling operations until he has made the most careful and complete analysis of the information which the various expeditions will gather.

The Population Question

All the problems of Canada depend to some extent upon an increase of population for their solution, particularly in the Great West, as you have been told at previous meetings of the company which we formed in co-operation with the Cunard Steamship Company for the purpose of promoting migration and settlement. You will be pleased to know that the Winnipeg office of the Hudson's Bay Company Overseas Settlement Limited, as we named the company, is fulfilling its functions and has been instrumental in placing some hundreds of settlers, and, not less important, in securing the interest and co-operation of various local organizations to assist in welcoming these newcomers.

In the autumn of last year Lord Clarendon, Under-Secretary of the State for the Dominions, made an extensive tour of Canada with the object of seeing at first hand the results of the Three Thousand Family Scheme, instituted several years ago with the special object of settling British families in Canada. He was so entirely satisfied that upon his return he expressed the hope, which was later expressed by the Dominion government, that large landholders might render assistance by making their land available for the continuation of this scheme on a larger scale.

Offer of Land

As the Canadian Pacific Railway Company and ourselves are the only large holders of land in the Prairie Provinces, we agreed upon a joint response, and the two companies offered to the Department of Immigration sufficient land for 3,500 farms, of 160 acres each, on terms of deferred payment. Such an offer with the wide choice of land which the two companies were able to give had its advantages, and in return we sought certain concessions in procedure, which we thought would facilitate the flow of population to the Great West, in which our interests are situated. The British Government have been very anxious to continue this Three Thousand Family Scheme and are prepared to go a long way in granting assistance to settlers under the Empire Settlement Act, but we have not yet been able to bring about the necessary arrangements with the Canadian authorities, and there we must leave the matter for the time being in the hope that sooner or later both time and effort will be justified. Meanwhile consideration is being given to other possibilities for extending and promoting this important work.

Our Development Department, to which reference was made last year, has been fully occupied in various ways. It promises to be of much assistance in broadening the basis of our operations and in using to the best advantage the many opportunities which come to such a company as yours.

"Hubay" and "Labdor" Salmon

It is impossible to enter into detail, but, as an example of progress in one direction, I draw your attention to the exhibit of "Hubay" and "Labdor" salmon which you may see as you leave this hall. We are collecting this salmon with our own vessels in the waters of Newfoundland and Labrador, treating it in our factory in St. John's, by a method of our own, which preserves all the qualities of freshly caught fish. It represents a remarkable advance upon the unsavory article known as pickled salmon, which was the only form in which we have hitherto been able to offer the fish taken in the course of our trade at points where very often the inhabitants have little else wherewith to purchase clothing, food, and other necessities of life.

Our principal market for the "Hubay" and "Labdor" salmon is in this City of London, which naturally brings me to mention the progress which is now being made towards the completion of our new offices in Bishopsgate and our new warehouse between Great Trinity-lane and Garlick-hill. When this warehouse is available we shall be able to place facilities at the disposal of the London fur trade which we believe will be greatly appreciated.

The Deed of Surrender and Its Results

Before coming to my closing remarks I must refer to several matters arising out of the deed of surrender of 1870. That deed was authorized by, and has the force of, an Imperial statute, and may be regarded as a constitutional settlement between your company, the Imperial Government, and the Canadian authorities, under which your company—whilst surrendering Rupert's Land and its rights of government therein to Canada — retained large tracts of land in Canada and was secured in its right to trade there without hindrance.

It was inevitable that in the course of the development of the Dominion and its provinces questions would arise from time to time between your company and the Dominion as to the extent of the property and the rights secured to your company by the deed of surrender. As the country fills these questions tend to become more important and more frequent, involving difficult questions on the interpretation of the deed of surrender and matters of great value.

Ownership of Metals

Of such a nature is the question of the company's right to ownership of the precious metals under its lands, which, as you are aware, has for some years been under discussion and has eventually been referred to the Supreme Court of Canada for decision, with the right of appeal on either side to the Privy Council. On April 20, 1927, the Supreme Court of Canada announced its opinion that the precious metals in the company's lands are owned by the Crown, and your committee are now appealing to the Judicial Committee of the Privy Council.

In my address last year I referred to legislation concerning the transfer of natural resources from the Dominion government to the Province of Alberta, and to the importance of safeguarding the company's rights in these resources. This transfer is at present in abeyance pending a decision by the Privy Council in regard to another co-related matter between the Dominion Government and the Province of Alberta. On these and other similar questions now under discussion it is the object of your committee to meet the reasonable requirements of the Canadian Government while at the same time preserving the rights of which your committee are trustees.

Governor's Visits

I have already alluded, but very briefly, to my journeys to Canada during the last three years. In the summer and early autumn of 1926 I visited the principal cities in each of the nine provinces from the Atlantic to the Pacific, and also inspected several fur trade posts in the interior of British Columbia. I had the pleasure, in company with Mr. G. W. Allan, the Chairman of our Canadian Committee, of meeting the Governor-General, the Ministers of the Government in Ottawa, and the chief members of the various Government Departments with whom we are in relation, the Governors of the Provinces, the Ministers of the Provincial Governments, and the mayors of the chief western cities. In every case I was received with a kindness and courtesy which I regard as a tribute of good feeling and good will towards your company. I must not omit mention of the kindness and assistance received from the two great railway companies — the Canadian Pacific Railway and the Canadian National Railway—and this applies not only to myself personally, but to every matter in which your company's interests come into question.

The Future

My lords, ladies and gentlemen,—I have tried to confine myself to the principal features of a very great subject and hope I have been sucessful in conveying to you something of the matters which occupy the attention of your Governor, Deputy Governor, and Committee. In conclusion, I cannot do better than refer once more to the most important step you have taken during the last half century. I refer to the investment within the last two years of over $20,000,000 of new money in your trade in Canada. This is indeed a great sum; it is greater than the total of all the dividends received by the proprietors during the two centuries between the grant of the Charters in 1670 and the Deed of Surrender in 1870.

You will naturally ask: What of it? What of the future? It would be foolish of me to make any attempt to prophesy. I can only indicate the broad conditions as I see them; you must verify them as far as you can and form your own conclusions.

Canada's Improved Position

To begin with, let me quote a few facts regarding Canada as a whole, to illustrate the improvement in basic conditions since 1914. In that year Dominion Government loans were entirely held by investors outside Canada; to-day £400,000,000 are held by Canadian investors. Savings Bank deposits have increased by £125,000,000, and like enormous sums have been deposited in other financial institutions or invested in life insurance.

Besides these savings of capital, the 9,000,000 people of Canada have been able, within 12 years, to spend a sum of not less than £125,000,000 on motor cars alone, as well as large sums for upkeep. This expenditure has its adverse aspect in relation to our saleshops, for many people make up for their expenditure on motor cars by economies in clothing, furniture, &c., but still it is a sign of well-being which cannot be neglected.

Now may I ask you to look at this map? Where is the origin, the source of the great riches which mark the Canada of the present day? Taking province by province, we find that all alike have been favored by Nature in one way or another—fish, timber, mines, minerals, coal and water power, all in abundance, but when we have considered all these the first place must still be given to the rich soil of the three Prairie Provinces—that Great West which year by year produces crops of grain and other foodstuffs, drawing a yearly tribute from the world of wealth beyond compare. Still further west lies the Province of British Columbia, open to the Pacific, the great highway to the most thickly populated regions of the globe, the great highway for the cheap transport of raw materials of every description.

These are the four provinces—Manitoba, Saskatchewan, Alberta, and British Columbia—in which a large portion of your money has been invested. Taken together they contain nearly 30 per cent. of the population of Canada, against 3 per cent. in the year 1871; 25 years ago the Western population was 650,000, and to-day it is 2,650,000. This development follows the linking together of all the provinces of Canada through the construction of the Canadian Pacific Railway, which was completed in 1887, and opened up these rich lands to the markets of the world.

Growth of Cities

Eighty years, or thereabouts, have passed since Victoria was established by Chief Factor James Douglas in 1843, with a staff of 15 men. By reason of its situation, climate, and the beauty of its surroundings, it has already become an important and attractive city, and is well on the way to becoming a centre of residence on the Pacific Coast for the people not only of Canada but of the United States.

Sixty years ago the population of Winnipeg—now the central city of Canada—was little more than 200; to-day it is approximately 200,000, or, if Greater Winnipeg be taken in, nearer 300,000. Fifty years ago the site of Vancouver was a virgin forest; to-day Vancouver is Canada's gateway to the Pacific Ocean, the leading port on the Pacific Coast of North America, and growing in importance year by year. Less than 40 years ago Regina, Calgary, Edmonton, and Saskatoon were tiny villages; to-day they are prosperous cities, centres of trade laid out on a grand scale and looking to a great future when each in its sphere will share in the industrial production which so far has been the monopoly of Ontario and Quebec.

"Reasonable Pride"

As I have laid the facts before you, I need say nothing more of our trade in furs and those other activities which occupy your company throughout the length and breadth of the Dominion. But in closing I hope I may express your reasonable pride in the traditions and achievements of our past, in the work we are at present doing, and in the equipment and the staff which is ready to make good in the future.

The story of your company, which goes back to the beginning of Canada, is bound up with its history and growth. Your flag was carried across plain and mountain from the Atlantic to the Pacific and has flown over insignificant posts which have since become towns, cities, and capitals of great provinces. You have shared in their struggles and adversities, in their development, and in their good fortune, and in my opinion there can be no reason—save only lack of faith, courage, or endeavor—why you should not share in the destiny which lies before them and before the great Dominion. (Cheers.)

I now beg to propose "That the report, balance sheet, and profit and loss account for the year to May 31, 1927, as now presented, be and they are hereby received, approved, and adopted." I ask the Deputy Governor, Mr. Richmond, to second that. (Cheers.)

The Deputy Governor

Mr. F. H. Richmond (Deputy Governor).—My lords, ladies and gentlemen,—The Governor has referred to the activities of the company so thoroughly that I do not think that there is anything I can profitably add. I should, however, like to express the appreciation of the Governor and the committee of the loyal work of our staff. As you know, we employ some thousands of men and women, upon whose wholehearted devotion entirely depends the success or non-success of your company. Our staff believes in team work in the highest expression of that word, and I should like to take this opportunity of expressing to them our appreciation and also the appreciation of the proprietors for their contribution to the success of your company. (Cheers.) I have much pleasure in seconding the resolution.

The Chairman then invited questions or comments.

Mr. Nordon criticized several aspects of the company's operations, and expressed the opinion that the return to the shareholders was unsatisfactory.

Sir George Brown's Views

Sir George Maclaren Brown,—Mr. Chairman, my lords, and gentlemen,—After the very illuminating address of our chairman and after what I have just listened to, I feel that as a Canadian I should say something, and certainly as a Canadian I desire to congratulate the Hudson's Bay Company on the wise policy which it is now following in its Canadian operations, a policy which we in Canada feel is in keeping with a rapid and successful development of that great country. If I may humbly say so, Sir, circumstances have made me something of a judge in this matter. Many years ago—so many that I hesitate to think of them—when I first went West in the service of the Canadian Pacific Railway Company, my work necessitated almost constant traveling in an area bounded broadly by Victoria and Vancouver on the west, Winnipeg on the east, Calgary and subsequently Edmonton on the north, and the United States border on the south.

In those days over that vast territory the Hudson's Bay Company was everywhere the dominating power and influence. Nothing was done, nothing could be done, unless your company had its finger in the pie. It was looked upon as more than a great commercial and financial institution; it was looked upon as part and parcel of Canada. Indeed, it would be accepted by a Western Canadian as an article of faith that your company's interests and Canada's interests were one and that together they would advance, increase, and expand in mutual service.

A Decline and A Recovery

Unfortunately, as time went on there came a steady change and, rightly or wrongly, the belief spread that your great and historic company, which had been in existence for two and a half centuries, closely and actively connected with the development of the country, had become lethargic, not only in its own interests but where Canada was concerned. It was apparently content to lie back and do nothing, letting others lead the way where it had led, and allowing increasing and intense competition to push it from its pride of place as a great commercial factor in Western Canadian life. Until about eight years ago, when I left the West, it was generally felt that your company had become more a symbol of past greatness than a present-day force.

Then, about eight or nine months ago, I went back once more to travel thoroughly over, and inspect in detail, the Western country, my former beat. It is too long a story to tell you all my impressions — my amazement at the wonderful development and the wonderful increase in the riches of that country, with its happy and prosperous people—but I can say that there was nothing that I saw which impressed me more, or was a greater cause for rejoicing, than the changed position of this company, because I may tell you that as a boy I was brought up, as nearly every Canadian boy in those days was brought up, on the wonderful romantic history of your great company and the glory of that great character associated with it for so many years, the late Lord Strathcona.

A Wise Policy

I rejoiced to find the Hudson's Bay Company once again as I remembered it in my youth—a magnificent, virile, active undertaking, filled with the spirit of up-and-doing—the spirit which I was told, when in the West, was first manifested in recent years just prior to the opening of the Great War. That catastrophe put the "kybosh" on our efforts, but I was told that that spirit had been revived in 1921 and 1922, and had been increasingly manifest ever since that time. I tell you now that what I saw there and what I heard there led me to the conviction that your wise, bold, courageous policy had done more to restore the status of your great company in the eyes of Western people than anything else which you could have done. It has made a strong appeal to them in that they accept it as a sign that the Hudson's Bay Company to-day realizes, as it did in the past, the great potentialities of Canada.

I would add that your recently declared policy of interesting yourselves in the settlement of Canada and in promoting the settlement of British people in that country is bound also to make an impression upon my countrymen, as they will see in that not only a wise and far-reaching move in the interests of your own company, but also a generous appreciation of what your company owes to Canada, the country which has been the source of the prosperity of your company through three generations.

I firmly believe, too, that, just as the courage, daring, and resource of the pioneer spirit inspired your company in days past, so that same spirit, which is so evident to-day, will enable your company to deal with everything that the future may bring. Your bold policy is the proper policy, and I see in that policy proof that you have apparently learned what experience has taught the whole Western world—that if you are to look for permanent success you must think in terms of the future. A bold policy in Canada cannot fail, or can only fail if Canada fails, and that, believe me, gentlemen, is not on the cards. This is Canada's century, and she will go ahead steadily and without interruption to her great destiny, and in that firm belief, Mr. Chairman, I offer you my sincere admiration and most hearty congratulations. (Cheers.)

Demand of the Canadian Public

Mr. Vere Herbert Smith said that he would like to congratulate the chairman upon his interesting and exhaustive speech, and went on to express some regret at the results of trading. He asked whether due attention was given to the fact that the demand of the Canadian public ran in the direction of articles generally purchased by the people of the United States rather than of those favored in Great Britain.

The Chairman, in reply, said that Mr. Nordon's criticisms were based on a misunderstanding of the accounts and were not in accordance with the facts of the situation. With regard to the question put by Mr. Vere Herbert Smith, he could say that over 80 per cent. of the goods displayed in their saleshops were of Canadian or American manufacture, although at the same time the company was naturally anxious to encourage purchases in Great Britain rather than in countries outside the Empire. He could assure the shareholder that he need have no anxiety in that respect.

He then called upon Mr. G. W. Allen, chairman of the Canadian committee, who was on a visit to this country, to address the meeting.

Mr. G. W. Allan's Speech

Mr. George W. Allan, K.C., then addressed the meeting, and in the course of his remarks said:—I am very sensible of the consideration and courtesy of the Governor in according to me, the only Canadian member of your committee, the opportunity of saying a few words to you on this the first annual meeting of the proprietors I have had the good fortune to be able to attend since you did me the signal honor of electing me to your committee.

For 10 years prior to my election to your committee I served in an advisory capacity as a member of the Canadian committee. Since my election in May, 1925, to your committee I have been wholeheartedly and unreservedly in accord with its policy in connexion with its progressive programme of store expansion, the reorganization and development of your fur trade, and the vigorous and progressive policy inaugurated in connexion with every phase of your land department, including the formation of the Hudson's Bay Marland Oil Company, Limited.

As a member of your committee and as chairman of the Canadian committee, I have, since May, 1925, in Canada endeavored to accord the Governor and committee cordial co-operation in connexion with their work of reorganization of your stores and saleshops, your fur trade and your land department.

My faith and belief in Canada, and particularly in the great future of Western Canada, is bound up with my faith and belief in the great future of our company under the present policy of the Governor and committee in all its deparments with which I have been in close contact from the year 1923 up to the present time.

Progress of Western Canada

Perhaps I might be permitted, as a Canadian who has resided in Winnipeg for the past 4 years, and during all that time has dealt with, and has had close contact with, the Hudson's Bay Company, briefly to sketch my impressions of the past, the present, and the prospects of our company, and in this connexion to make some reference to the present position of Canada and the progress of Western Canada during that period of time.

Before doing so may I be forgiven a brief personal reference in this connexion? I spent several months in Winnipeg and Western Canada in 1879, and I have resided and been engaged in business in Winnipeg since 1881—12 years after the Company by Deed of Surrender had relinquished its sovereign or governing powers to the Crown, thereby making way for the Dominion of Canada — during that period I have seen the growth of Winnipeg from a struggling settlement centering around Fort Garry, the birth of the cities in which our Company are so largely interested, Vancouver, Calgary, Edmonton, Saskatoon and Regina, the advent of railway transportation in Western Canada, following the incorporation of the Canadian Pacific Railway, and the construction of all subsequent railway mileage now controlled and operated by the Canadian Pacific Railway and the Canadian National Railway, and the growth of the population of Canada West of the Great Lakes from perhaps 100,000 odd souls to our present population, which is well over 2,600,000 people.

My business interests and associations have been markedly in the four Western Provinces of Canada, but have always extended to Montreal and Toronto, and in more recent years to all of the nine provinces of Canada.

For a number of years past in connexion with my business interests, I have had constantly to visit all the larger cities of Canada from the Atlantic to the Pacific, and the great farming districts of the three Prairie Provinces.

Between 1879 and 1904 the Hudson's Bay Company measurably kept step in its store, fur and land business with the varying fortunes of a country in the early stages of its settlement and development, encountering with the growth of population in the four Western Provinces and the growth of the cities I have already referred to, constantly keener competition in every phase of its business activities.

A Forward Movement

On or about the year 1904, Western Canada entered upon a great forward movement, a period of large incoming of immigrants and outside capital, a rapid settlement of the free lands of our three present Prairie Provinces, a development of our natural resources, particularly in the province of British Columbia, and a great growth in all our cities. Every corporation, firm and individual in Western Canada, then fully organized and equipped to take advantage of the succeedng seven or eight years of growth and prosperity, greatly benefited thereby. Your Committee in 1910, as I understand it, agreed upon a policy of store construction and expansion to meet the requirements of the rapid development of population and business and the intensely keen competition of rival departmental stores. In pursuance of this policy, additional store sites and properties were purchased, new stores were built in Calgary and Victoria, and a large addition made to the Vancouver store.

A Check

However, in 1913, the said period of rapid increase of population and business received a sudden check. It had produced a real estate and building boom in all our cities and wide speculation in our lands and other natural resources. Immigration received an abrupt check, building operations in all our cities came to an end.

Following the outbreak of the Great War in 1914, Western Canada, particularly from our cities, lost population by reason of those previously engaged in building trades leaving for Los Angeles, Chicago, Detroit and other cities in the United States exhibiting great growth in population which entailed large building operations. Our urban and rural population was further decreased by the voluntary enlistment of our young men for service overseas in the Canadian military forces. Under such conditions your Committee were constrained to postpone further building operations in connexion with its programme for store expansion.

During the years 1917 to 1919 inclusive, high prices for all agricultural products prevailed in Western Canada and resulted in large speculative purchases of farm lands by our farmers. The year 1920 brought drastic deflation of prices of farm products as well as those of manufactured articles, and between the years 1920 and 1923, as both did not go down on a parity, agriculture in Western Canada encountered a difficult period.

Position of Farmers

As the three Prairie Provinces of Canada are purely agricultural, those doing business in our urban communities can only prosper if our farmers are able to secure adequate reward for their labor and invested capital. It has been said in our country that the farmer farms the land and we of the urban communities farm the farmer. During the years 1920 to 1923 the diminished purchasing power of the farmers of the three Prairie Provinces was reflected in the cities of the West, as also in the great manufacturing cities of Montreal and Toronto. Your committee in 1923 sensed improved conditions, and relief came in 1924 with greatly improved prices for all the products of the farm, and satisfactory prices have since prevailed. The farmers of Western Canada are again prosperous, their faith in the present and future of their country is restored and their greatly improved purchasing power in 1924, 1925, 1926 and 1927 has been reflected in all the cities of the three Prairie Provinces and in the great manufacturing provinces of Ontario and Quebec, as also in the province of British Columbia. The urban and rural population of the four Western Provinces of Canada has steadily increased since 1924, and building operations in all our Western cities have been announced.

Position Since Armistice

The province of British Columbia and the city of Vancouver since the Armistice have grown markedly in population and in wealth, and there has been great development of the natural resources of this great province.

We have achieved a stable Government at Ottawa, Dominion and provincial taxation is in process of reduction, immigration has been on the increase, business has improved in Canada from the Atlantic to the Pacific, and we have every prospect of continued improvement. Notwithstanding all the difficulties, and particularly the severe check to immigration Canada has encountered since 1913, our country, although it has not made large advance in population, has greatly increased in wealth. The Governor has given you most striking examples of the greatly increased wealth of Canada and the immense progress made in the development of our natural resources since pre-war days.

Another Forward Movement

Commencing in 1923 the stage was being set in Canada for another great forward movement for large increase in population and wealth, and at the very birth of these improved conditions and betterments the Governor and committee took prompt action to resume the policy and programme inaugurated in 1910 of store construction and expansion, to take advantage of the improved conditions at their inception, and to meet at every point at which they had stores and establishments the keen competition of rival departmental stores. They also proceeded with the reorganization and enlargement of your fur trade operations from the Atlantic to the Pacific and in the Eastern and Western Arctic, and finally in connexion with your land department and natural resources they proceeded to perfect your organization to deal effectively with your town sites, your farm lands, and with geological exploration for the discovery of oil.

Visits to Cities

Every year since I became a member of the Canadian Committee I have visited all your stores and establishments in Canada, from Montreal to Victoria, and in more recent years I have done so several times a year. I made my last inspection of your stores and other establishments at Victoria, Vancouver, Edmonton, Calgary, Saskatoon, Regina, Winnipeg and Montreal just before leaving Canada to attend this meeting. During this inspection trip I met and conferred with all the chief officers of our company in the store, fur and land departments, and at each store I visited I met not only the manager but the heads of all departments. I was immensely impressed with the fine spirit of esprit de corps pervading our whole service, and the pride and enthusiasm they exhibited in serving our company that was according leadership to Western Canada.

In 1926 I visited all our principal cities of the nine provinces of Canada, and everywhere I heard leading business men speak of the vision and enterprise of the Hudson's Bay Co., the leadership it was according to Western Canada and its good citizenship, and that our company had taken its rightful place with the Canadian Pacific Railway and our great Canadian banks in the upbuilding of the Dominion of Canada.

During my visit to Victoria, Vancouver, Edmonton, Calgary, Saska-

(Continued on page 16)

Hudson's Bay Company

(Continued from page 15)

toon, Regina, Winnipeg and Montreal in the month of May it was a source of great gratification to me to hear from the leading business men of these cities words of appreciation with reference to the active and progressive manner in which your committee were dealing with your store, fur, and land interests in Canada.

Increased Turnover

It is recognized throughout Canada that well organized and equipped department stores in our larger cities are ever increasing the volume of their turnover with our urban and rural population. Your stores in Winnipeg, Saskatoon, Calgary, Edmonton, Vancouver and Victoria are not only doing business with the people of these cities, but with the rural population over a wide area surrounding each of these cities. I have complete confidence in the future of your stores and saleshops in the cities of Western Canada. I have abiding faith and confidence in the great future of our magnificent stores in Winnipeg and Vancouver. I believe that Winnipeg and Vancouver are destined to be great and prosperous cities.

The Hudson's Bay Company preserved much of what now constitutes the Dominion of Canada for the Empire. It made possible the Dominion of Canada. Our company has a great record for character and fair dealing during its history of 257 years. It has a name to conjure with throughout Canada and the United States, it is one of the great bulwarks of Canada, the value of its properties in Canada cannot be too highly estimated, and the great name of the company throughout Canada makes the goodwill of the company's business in our country a priceless asset.

Belief in the Future

I can only say, in conclusion, that my faith and belief in the great future of Western Canada has never wavered in 48 years. It was never stronger than it is to-day, and my faith and belief in the great future of our company's business activities and properties in Canada is bound up and is part of my faith and belief in my country. (Cheers.)

May I say also to the proprietors of the Hudson's Bay Company that I deem it a great honour and privilege to serve them as a member of the committee and as chairman of the Canadian Committee. (Cheers.)

Mr. Salaman asked whether there was any prospect of a further issue of capital and whether the company had acquired any sites in Toronto.

The Chairman replied that the subject of a further issue of capital had not been considered and that the company had not considered the acquisition of sites or business in either Toronto or Montreal.

The resolution was then put to the meeting and carried unanimously.

The Directorate

On the motion of the Chairman, seconded by Mr. Vivian Hugh Smith, Mr. A. K. Graham's election to the committee was confirmed.

The retiring members of the committee—Mr. Leonard D. Cunliffe, the Hon. Arthur J. P. Howard and Mr. A. K. Graham—were re-elected, on the motion of the Chairman, seconded by Mr. Vivian Hugh Smith.

The auditors, Messrs. Deloitte, Plender, Griffiths, and Co., were reappointed, on the proposition of Mr. F. W. Thorpe, seconded by Mr. George Giddens.

Mr. Vere Herbert Smith proposed a cordial vote of thanks to the Governor, the committee and the staff.

This was seconded by Mr. Salaman, and carried with acclamation, a brief acknowledgment by the Chairman bringing the proceedings to a close.

Belding-Corticelli Finds Its Earnings Maintained

From Our Own Correspondent.

MONTREAL.—On June 30, Belding-Corticelli, Limited, completed the first seven months of its fiscal year. During this period the profits were maintained at the level of the fiscal year which ended November 30 last.

In 1925, the company earned 24.22 per cent on its common shares; in 1926 this figure declined to 11.25 per cent. The reason for the decline in 1926 lay in the keener competition which was experienced. There seems to be no indication that the competition which the company meets will decrease. Thus, the present outlook for the current year's earnings indicates that they will be little changed from the 1926 level.

About a year or so ago Belding-Corticelli acquired the Hosiery Corporation of Canada and transferred that company's equipment to its plant in Montreal. Sales from this added line have proved so satisfactory that the company is now engaged in doubling its output of full-fashioned silk hosiery. The addition to the plant will be completed by the close of the current fiscal year on November 30 next. The company is making the extension out of current earnings.

Larger Earnings Per Share Anticipated for Alcohol

From Our Own Correspondent.

MONTREAL.—It is understood that all prospects indicate that the Canadian Industrial Alcohol will close its current fiscal year which ends September 30 next with earnings at a new high record level.

It is understood that Sir Mortimer Davis controls the company. He is expected back in Canada in September, when it is possible that an upward revision of the dividend rate might be made. The company now has outstanding 969,480 shares of no par value as compared with 800,000 at the conclusion of its last fiscal year. On the smaller amount of common stock outstanding last year, the company earned $2.63 per share.

Even with the increased number of shares now outstanding and the company's customary liberal allowance for depreciation, it is being estimated that earnings on the present stock outstanding will amount to between $3 and $3.50 per share at the close of the current year.

Begin Construction on Detroit-Windsor Subway in September

Backers of the Detroit-Windsor subway announce that their plans are now complete and that work on the construction of a tunnel to connect the two cities that stand on opposite sides of the Detroit River will commence this fall.

Financing to the extent of $15,000,000 has been arranged by one Canadian and three American investment houses, and the bond issue will be offered, it is anticipated, early in September. Completion of the tunnel is promised within two years from the date of commencing construction.

Build Self-Supporting Buildings

F. G. Engholm, Toronto engineer, has been handling most of the work in connection with the project to date, and will be associated with Parsons, Clapp, Brinkerhoff and Douglas in the engineering work in connection with construction.

Properties in Detroit and Windsor required for terminal facilities have been purchased or are under option. These properties are in the heart of the downtown section of each community. On them will be erected buildings that, it is hoped, will be self-supporting.

First unit in the proposed subway will be a tunnel with a 24 feet roadway, this will have three traffic lines, enabling two to be given over to one-way traffic when the rush hour movement enlarges the flow in either direction.

Two More Tunnels Planned

Plans provide for a second 24 feet tunnel to be built when traffic warrants it, thus giving two tunnels, one for traffic in each direction, while ultimate development will call for a third tunnel with electric railway service. The first two units will provide bus service under control of the subway company.

It is stated by the subway company officers that allowance has been made in earnings estimates for construction of the Detroit-Windsor bridge, now being financed.

PURE FOOD MAY DECLARE COMMON DIVIDEND SOON

Sales For Current Year Increase—Company's Position Evidenced by Expansion

From Our Own Correspondent.

MONTREAL. — The prospects for the current year of the Pure Food Stores are eminently satisfactory. The company is steadily increasing the number of stores operated and profits are growing. The fiscal year ended April 30 and sales for the current year," M. Zahler, the president told the Financial Post, "showed a very satisfactory increase over a year ago."

The Pure Food Stores own and operate the Stop and Shop stores. There are now 48 stores in operation as compared with 25 stores at the end of 1925. Of these, 15 stores are self-serve and the remaining 33 are service stores. Each shop handles a complete line of groceries and dairy products.

Investment interest in the company centres on its first preferred stock and common stock. The preferred shares were first offered to the public in April 1926 by Housser Wood and Company at par. The preferred carried a bonus of 3 shares of common with every ten of preferred.

Has Been Successful

The Company has steadily met the interest on its 7 per cent cumulative first preferred stock and on its second preferred stock. On the first preferred, $175,000 was originally offered the public, but in December 1926, the company was able to retire from earnings, $25,000 of the stock. Thus, the present capitalization consists of $150,000 in first preferred, $200,000 in second preferred and $11,500 common shares of no par value.

The company's retail chain stores are all located on the island of Montreal and in the City of Ottawa. During the last fiscal year four new stores were opened in Ottawa and since the conclusion of the year four more have been placed in operation. Thus, of the company's 48 stores, 8 are located in Ottawa.

To Expand in Ottawa

Two more are under construction in that city and it is expected that ultimately 20 stores will be operated there. In and around the city of Montreal the company will open five more stores before September next. In addition two new stores are under construction in Ottawa.

The program of expansion, it is anticipated, will be continued. The present company was incorporated early in 1922 and acquired the entire assets of the predecessor partnership. For the shareholders, it is more than satisfactory to note the expansion of business since the public financing was carried out, has been entirely accomplished without further financing. As earnings have accrued, they have been ploughed back into the business and new stores opened. The steady increase in the number of stores operated should tend to increase profits, for thus the company is in a position to buy in greater quantities with a consequent ability to obtain better prices.

Expansion Since Financing

One of the reasons why it has been possible to expand from 25 stores at the end of 1925 to 48 stores at the present time, has been the fact that the company does not purchase the stores. The properties are leased.

The Pure Food Stores does not confine itself to one type of grocery merchandising. It operates both the groceteria shop and the ordinary service store. It has been found that the self-serve stores can only be operated at points where the traffic is heavy. In other words, the company is making its activities conform to the buying habits of the public.

The common stock changes hands at about $30 per share and with the satisfactory earnings of last year, it seems more than possible that the common might be placed on a dividend basis in 1927. The company earned on its common stock last year $4.22 per share.

Sinking Fund For Preferred

The company's charter provides for a yearly sinking fund amounting to 10 per cent of the net earnings after payment of dividends on both issues of preferred stock. The retirement last year of $25,000 of the preferred, of course, was well in excess of the amount required under this clause in the company's charter.

The last annual balance sheet for the year ending April 30, 1927, shows a strong ratio between current assets and current liabilities with a working capital of well over $178,000. The surplus amounted to $59,414. The satisfactory balance sheet position coupled with the earning power on the common shares bears witness that the date of dividend disbursements on the common shares is not far away.

NOW SEE B. C. FISH WITH ATTRACTIONS AS SPECULATION

Pellatt & Pellatt Review Stock That Recently Rocked Market

B.C. Fish, which has not been in public favor since its recent gyrations is labeled as an attractive speculative investment in a review published by Pellatt & Pellatt, Toronto stock brokers.

"During the last few months the preferred and common stocks of the British Columbia Fishing and Packing Company have been very quiet in an active market and shrewd investors have been taking advantage of this to accumulate them at current prices which would appear to be considerably below their actual value," says the letter.

"There was every evidence of better conditions in the fishing industry in British Columbia last year, and prospects of these conditions continuing to improve this year are excellent."

See Change For Better

Pellatt & Pellatt's review proceeds: "Those who have followed developments in the fishing industry at the Pacific Coast have witnessed a remarkable change for the better in the past two years. Three of the most striking factors to-day are its permanence, world-wide demand for its products and large earnings. Consolidations have taken place that make for effective economies. The Provincial Fisheries Department in charge of conservation and propagation of the industry has worked wonders. The scope of operations has widened, not only to include all grades of salmon on a larger scale, but to develop the catch and treatment of pilchards, which have already proved an important source of revenue. The pilchard oil and meal industry is a recent growth and promises to become a very important part of the industry. Oil from the pilchard is shipped largely to Europe where it is used in oleomargarine, soaps and varnishes, while the meal is used for cattle feed and fertilizer.

Wallace Fisheries Purchase

"Last year the British Columbia Fishing and Packing Company acquired the Wallace Fisheries, Limited. The value of this purchase was amply demonstrated by the results last season. The control of the company provided it with two modern, well situated Pilchard Oil and Meal plants on the West coast of Vancouver Island and other fishing activities carried on at these points, together with the very desirable plants at Claxton on the Skeena River and elsewhere. These advantages are apparent, viz.:

"(a) The acquisition of a going concern in a line of endeavor that the B.C. Fishing & Packing Co. were contemplating.

"(b) Saving of duplication. (c) The more economical operation of both companies. (d) The removing of a strong and aggressive competition.

"The benefits from the co-operation of these companies were not fully felt last year as the season's operations had already been planned for both companies and contracted for. This year greater economies can be effected, of advantage to both companies, as the result of single control.

No Bonds Outstanding

"As a result of the acquisition of the Wallace Fisheries, Ltd., an additional 6,886 shares of the B.C. Fishing & Packing Co. were issued, making the total issued capital 49,804 common shares of a par value of $100 each. In March last the shareholders approved of the company's recapitalization by which the holders of the 49,804 shares received in exchange for the same new preferred and common stock, on the following basis: one-half share of 7 per cent. preferred stock and 2 shares of no par common stock for each share of capital stock held. Therefore, there is now outstanding 24,902 shares of preferred of $100 par value and 99,608 shares of common stock of no par value. There is no bonded indebtedness.

"The dividend on the preferred stock is at the rate of 7 per cent. payable quarterly on the 10th of June, September and December, 1927, and 10th of March, 928. The dividend on the common shares is at the rate of $1.25 per share and is payable on the above dates. The sum of $300,000 has been set aside out of the 1926 profits as the dividend guarantee account, leaving $199,294 to carrying forward.

"The net available for dividends as shown in the 1926 annual statement was $499,294 which represents 20.05 per cent. on the new preferred. After allowing 7 per cent. on the preferred, there remains available for the common dividends an amount of $324,980 which works out at $3.26 for each share of the new no-par.

Liquid Position Is Strong

"The company maintains a strong liquid position. Current and convertible assets are shown at $2,526,730 including $10,511 in cash, $198,200 in accounts receivable, $1,862,311 in inventories and salmon sold and unsold, and $455,707 in government, municipal and industrial bonds. The company owns shares in subsidiary and controlled companies which are valued at $1,515,591.

"The balance sheet shows total assets of $7,617,301 including current assets $2,533,980 as detailed above and fixed assets shown at $1,531,652. Current liabilities are shown at $1,146,786, the company carries $490,115 forward in its surplus account, including an insurance reserve of $102,921 which is not available for dividends. Contingent liabilities amount to $1,686,267.

"The preferred stock is selling at $80 per share paying $7 per annum and yielding 8.75 per cent. on the investment, and in view of the sound financial position of the company and its earning power, we consider it a very attractive investment at current prices.

"The common stock is selling at $16 per share, paying $1.25 per annum and yielding 7.80 per cent. on the investment. We consider this stock very attractive as a speculative investment with excellent chances of appreciation in the near future."

FOREIGN EXCHANGES

Interest Quiet in Major Currencies

Stabilization of so many European currencies has had a stultifying effect on foreign exchange business. There is not the same incentive to speculate as was the case a year ago, or even a few months back. Traders have been holding back from making any large commitments and though a move was made a week ago in Spanish pesetas, it was difficult to revive interest in this once highly speculative currency, and since then rates have fluctuated more on commercial and financial demands than on speculative buying.

During the past week interest has centred on minor European currencies. Roumanian leu, in view of the death of King Ferdinand, came in for some attention, while the riots in Vienna were not reflected in the schilling rate, as the latter has been pegged at 14½ cents and has been since before the unit was introduced. Canadian funds are still quoted at a discount, ranging around 9-64 of one per cent. On Wednesday, Canadian dollars dropped to a new low discount for the season of 11-64 of one per cent. If this discount is continued, gold will start flowing from Montreal to New York.

One of the features of the exchange was the continued strength of German marks, which began with the successful offering of the Rentend-bank loan in New York, and is due to the expectation of a substantial flow of funds to Germany in the coming months. German banks are said to be calling in short-term loans to smaller European countries and this, combined with the attraction of short-term American loans on account of higher returns, has caused a demand for marks.

Sterling showed a firm tendency during the week. New loans, both foreign and domestic, continue, though the rate has failed to reflect it in recent sessions. It is felt in most quarters that the drain on London's capital supply, together with autumnal requirements of dollars in payment for grain and cotton, will almost certainly force London money rates higher in the next several weeks, possibly by a drain of gold to the United States.

	This Year		Last Year	
	High	Low	High	Low
	(Premium)		(Discount)	
July 14	1-8	1-8	9-64	9-64
July 15	1-8	1-8	1-8	9-64
July 16	9-64	1-8	7-64	1-8
July 18	5-32	9-64	7-64	9-64
July 19	11-64	5-32	1-8	5-32
July 20	11-64	5-32	5-32	11-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
July 14	4.85 3/16	3.91½	5.43
July 15	4.85¼	3.91½	5.44
July 16	4.85 3/16	3.91¼	5.42½
July 18	4.85 3/16	3.91 5/16	5.42
July 19	4.85 3/16	3.91 5/16	5.43¼
July 20	4.85 3/16	3.91 5/16	5.43½

FOREIGN EXCHANGE

Par		July 13	July 20
13.90	Italian	5.44	5.44½
32.45	Brazilian	11.83	11.85
23.82	German	23.77	23.81
19.30	Belgian	13.92½	13.93
84.85	Japan	47.20	46.75

McIntyre Porcupine Mines, Ltd.

(No Personal Liability)

DIVIDEND NO. 35

Notice is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on the 1st day of September, 1927, to shareholders of record at the close of business on August 1st, 1927.

By order of the Board,
BALMER NEILLY,
Treasurer.

Dated at Toronto, July 14th, 1927.

EST. 1867.

Kennedy Castings

Castings made to any size, in any quantities, from any casting metal. Kennedy assures satisfaction, prompt service and fair prices on your orders.

The Wm. KENNEDY & Sons Limited
OWEN SOUND, ONTARIO.
Representatives at: Cobalt, Toronto, Montreal, Halifax, Winnipeg and Vancouver.

ALBERTA MAY HAVE ANOTHER 1915 CROP

If It Stops Raining Record Yields May Follow in That Province

By Staff Editor.

CALGARY—If it stops raining Alberta will have one of the best wheat crops in its history, say several of the leading grain men of Calgary. One of the most expert prognosticators told me today that he expected 1915 to be repeated, with some farmers getting forty bushels to the acre. In 1915, one farm produced sixty six bushels to the acre, the highest yield ever on this continent.

There has been hail, but hail is localized, and the maximum destruction from this cause will be five per cent. What is more feared is a cool August which will delay maturity until the grain is frostbitten. There is enough moisture now. In the southern parts of the prairie there is enough moisture for the first time in a decade.

Insurance companies are faced with twelve hundred claims for adjustment. That seems a huge number to the adjusters, but to no one else, so far as I have found.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of SEPTEMBER next, to Shareholders of record of 30th July, 1927.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 19th July, 1927.

INVESTMENT TRUSTS

Can you use the services of a Canadian, age 23, who is interested in the development of this very important branch of investment service?

At present he is employed in large organisation assisting the executive of the accounting department—principally in the preparation of confidential reports of financial and statistical nature.

Box M49, The Financial Post,
1070 Bleury Street,
Montreal, P.Q.

The Standard Bank of Canada

Quarterly Dividend Notice No. 147

A Dividend of Three Per Cent. (3) for the three months ending 31st July, 1927, being at the rate of Twelve Per Cent. (12) per annum, has been declared payable on the 1st of August, 1927, to Shareholders of record as at the 16th of July, 1927.

By Order of the Board,
N. L. McLEOD,
General Manager.

Toronto, June 22nd, 1927.

PURE GOLD MANUFACTURING COMPANY LIMITED

Toronto, Canada

Notice is hereby given that a dividend of FIFTY CENTS A SHARE on the paid-up Capital Stock of the Company has been declared PAYABLE MONDAY, 15th AUGUST, 1927, to Shareholders of record at the close of business on the 30th July, 1927.

By order of the Board.
J. C. JAMIESON,
Secretary.

Toronto, July 20th, 1927.

The Canadian Bank of Commerce

Dividend No. 162

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1927, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1927. The transfer books will not be closed.

By order of the Board.
S. H. LOGAN,
General Manager.

Toronto, 15th July, 1927.

The Royal Bank of Canada

DIVIDEND No. 160

Notice is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Thursday, the first day of September next, to shareholders of record at the close of business on the 30th day of July.

By order of the Board.
C. E. NEILL,
General Manager.

Montreal, Que., July 12, 1927.

THE BANK OF TORONTO

DIVIDEND No. 184

Notice is hereby given that a Dividend of Three per cent. upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter and the same will be payable at the Bank and its branches on and after the FIRST day of September next to shareholders of record on August 15th, 1927.

By Order of the Board,
JOHN R. LAMB,
General Manager.

Toronto, July 6, 1927.

Notice of Dividend

Famous Players Canadian Corporation Limited

Notice is hereby given that a dividend of Two Dollars ($2.00) per share for the quarter ending the 1st of August, 1927, has been declared upon the First Preference Stock of the Company, payable the 1st day of September, 1927, to shareholders of record Saturday, the 30th day of July, 1927.

By order of the Board,
N. L. NATHANSON,
Managing Director.

Dated at Toronto, this 14th day of July, 1927.

Canada Cement Company Limited

Preference Shareholders

Dividend No. 70

Notice is hereby given that a dividend of 1¾% for the three months ending June 30th, 1927, being at the rate of 7% per annum on the paid-up Preference Stock of this Company has been declared, and that the same will be paid on the 16th day of August next to Preference Shareholders of record at the close of business July 31st, 1927.

H. L. DOBLE,
Secretary.

Montreal, July 15th, 1927.

DIVIDEND NOTICE

Massey-Harris Company Limited

Preference Stock Dividend No. 7

Notice is hereby given that a Dividend of 1¾% on account of dividends for the present fiscal year has been declared on the 7% cumulative preference stock of the Company.

The above dividend is payable on and after the Fifteenth day of August, 1927, to shareholders of record at the close of business on the Thirtieth day of July, 1927.

By order of the Board.
C. N. APPLETON, Secretary.

Toronto, 18th July, 1927.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of Canada)

Notice is hereby given that the Board of Directors of this Company has declared a quarterly dividend of 1¼ per cent. on the issued Ordinary Capital Stock of the Company, payable on 1st September, 1927, to all shareholders of record on the registers, at the close of business on the 30th July, 1927.

Dated at Toronto, Canada, 14th July, 1927.

J. M. SMITH,
Secretary.

NOTE—The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London, E.C. 2.

$138,773.33

Town of Kenora, Ontario

DEBENTURES FOR SALE

Sealed Tenders, marked "Tenders for Debentures" will be received at the office of the undersigned up to

NOON, THURSDAY, AUGUST 4th, 1927,

for the purchase of the following Debenture Issues of the Town of Kenora—

Amount	$13,773.33	$125,000.00.
Purpose	Consolidated Debt	Local Improvements, Sewers
Term	26 Yr., Sinking Fund.	30 Instalment.
Interest Rate	5%	5%.
Interest Payable	June 30-Dec. 31st	Sept. 1st.
Debentures Dated	July 1st, 1927	Sept. 1st, 1927.
Debentures Due	Dec. 31st, 1953	Sept. 1st, 1928-1957.

WHERE PAYABLE—Debentures and Interest Coupons will be made payable at the Imperial Bank of Canada, Toronto, and Kenora.

LEGAL OPINION—The Legal opinion of Messrs. Long and Daly of Toronto will be furnished, a certificate of which will be printed on each debenture.

TENDERS—Tenderers will state price, plus accrued Interest, if any, for Kenora Delivery and payment on each issue separately.

The Municipality reserves the right to reject any or all bids.

F. J. HOOPER,
Treasurer.

Featuring Newfoundland, Canada's Nearest British Neighbour

THE FINANCIAL POST

PUBLICATION OFFICE: TORONTO, JULY 22, 1927

PROSPERITY NOW LOOMS FOR NEWFOUNDLAND

"MOST IMPORTANT MINE DISCOVERY YET ON ISLAND"

Dr. H. A. Baker Reports on St. George's Coal Seam

AID TRADE BALANCE

But Some Are Doubters Yet And Await Further Study of Great Deposit of Coal

The St. George's Coal Fields that have been attracting a great deal of attention, and have received the enthusiastic attention of the Newfoundland government geologist, Dr. Baker, represent an area of approximately 20 square miles of which the St. George's Coal Fields, Limited, own approximately 11 square miles, or in all, a total of 7,000 acres. Dr. Baker in referring to these fields after a detailed survey on the ground, reported them to the Minister of Agriculture and Mines as "the most important mineral discovery yet made in Newfoundland."

Taking as a basis of reckoning the United States Geological Survey's reckoning on the value of coal lands which holds that a bed of coal one acre in extent and one foot in thickness will under the most favorable conditions yield 1,750 tons, and at a minimum 1,000 tons, the company's properties, according to their own statement, work out as follows, taking the seams so far located and opened measuring two feet and upward, of which there are seven, gives an aggregate thickness of 25 feet two inches. This, on the basis of the lowest calculation, would return 25,167 tons an acre, or a total of 176,169,000 tons underlying the 7,000 acres now owned by the company.

Or taking only those seams measuring three feet and upward, of which there are five works out to a total yield of 147,000,000 tons.

It is believed that there are other important seams in and around the property that would extend these estimates considerably.

Accessibility of Coal

The ease with which coal can be transported to consuming markets is perhaps one of the largest factors in establishing coal land values. St. George's Harbor, situated on the west coast some 17 miles from the property, would be a suitable shipping point for the summer months. The company has surveyed a line that would connect with the Newfoundland Railway, at Robinson's Station, a point seven miles distant from the main coal seam, thence a twenty-mile run on the government railway would land the coal at St. George's Harbor. In the event of a large development the proposal is to form a depot at Little Harbor in La Poile Bay. This would necessitate the building of 36 miles of railway to connect the mines with the seaboard. La Poile is a deep water port, well protected and free from ice at all seasons, and it has been recommended as a most suitable coaling station to serve the emergency needs of all the North Atlantic shipping.

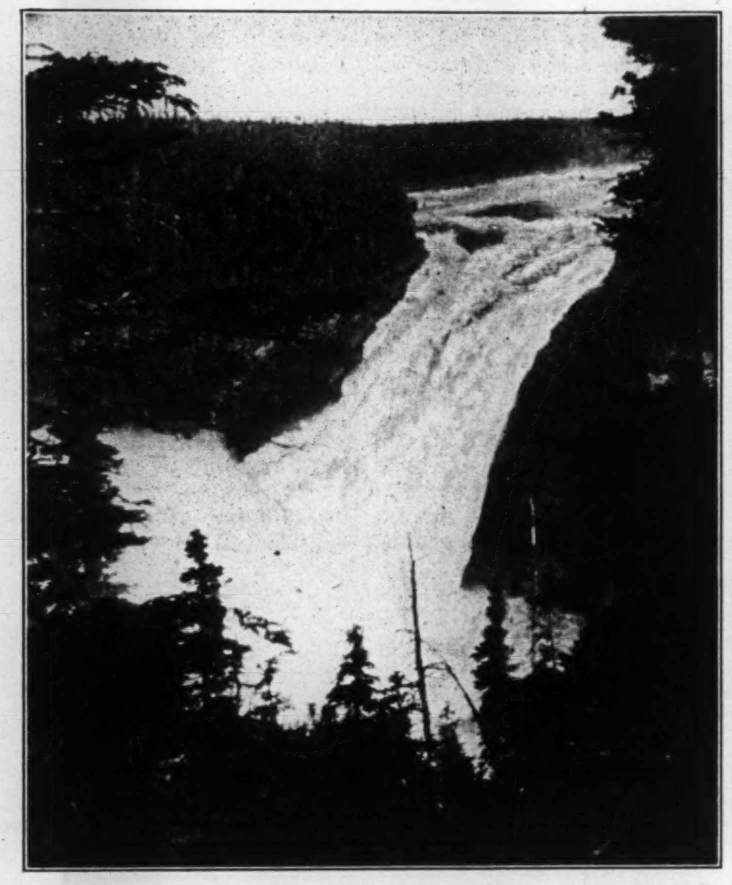
Mining on the Howley Seam on Robinson River has produced a very fine grade of coal of a semi-bituminous character that is a very superior grade of steam coal. This seam has a thickness of 4 feet 2 inches and has been uncovered for a distance of 200 feet. The actual extent has not yet been determined.

Question of Costs

The company estimates that it can produce coal F.O.B.

(Continued on page 30)

Millions of Horsepower



—Photograph by Varick Frissell

Grand Falls of the Hamilton River, Labrador, recently won by Newfoundland in a privy council decision. Power estimated as high as 5,000,000 h.p. awaits development here. Few white men have ever seen the Falls. This is the only photograph ever taken.

What Will Island Do With Labrador?

Suggestion Is Heard That New Acquisition Should Be Sold at $50,000,000 to $100,000,000 and United States as Well as Quebec Mentioned

Now that Newfoundland has been given a clear title to the greater portion of Labrador, the question that is agitating many minds both in Newfoundland and elsewhere is, what will she do with it?

That is not as simple a question to answer as it would appear. To make these great potential assets actual will require a very considerable outlay, and, at the present time, Newfoundland knows itself to be unable to meet such demands.

Man In Street Would Sell

If you consulted the opinion of the streets it would undoubtedly be, sell it.

All the talk of the vast resources in this country have given, perhaps, a somewhat false viewpoint. The resources are undoubtedly vast, perhaps vaster than the most optimistic estimate, but they are undeveloped assets, remote and inaccessible.

The man in the street hears the talk of millions and says, sell it. And perhaps that would be a wise course, could a suitable buyer be found.

Consider Uncle Sam

There is undoubtedly a volume of opinion that looks to the United States as a possible purchaser. Such an opinion is not found among the more thoughtful people, who realize that the decision of the Privy Council was not alone a legal decision, but was something that implied a trust as well: that Newfoundland stood as a trustee for the Empire, a member of a great family, and that any deal that might be made must be made within the bounds of that family. Probably that view obtains more strongly in Newfoundland than anywhere else.

But to consider that possibility, if it is a possibility. It is possible to hear someone speak glibly of selling Newfoundland to the United States for a hundred million. Yet the United States has expressed no interest in it, and would in all probability feel toward it, as she felt toward Alaska when Seward bought it from Russia for $7,000,000. It needs a far vision to see those potential assets blossoming into realities, and for the United States it would be a far land, isolated by long reaches of foreign land and ocean, and hemmed in for long seasons by a forbidding sea.

Quebec Logical Buyer?

As a matter of fact, most Newfoundlanders admit, that aside from local patriotism and matter of fact, Quebec was the logical owner. The logical owner because of contiguity, and because its resources need not then be taken out-

(Continued on page 30)

Great Buchan Mine Has $200,000,000 of Zinc-Lead Ore

Enormous Values in Wonderful Property Now Being Intensively Exploited by American Smelting and Refining Company

Buchan's Mine and the section immediately adjacent gives every promise of being one of the world's greatest mineral discoveries. Originally, the discovery was estimated to show some eight or nine million dollars worth of ore, but this was of so composite a character that for a long time it appeared as though it was not a commercial factor.

The ore body was originally discovered by the Anglo-Newfoundland Development Company in 1905, and the property was mined to a depth of some 400 feet but the ore was found to be a complex massive fine grained zinc lead, carrying small percentages of copper and appreciable values in gold and silver. Difficulty was experienced, however, in both concentrating and the metallurgical treatment of the ore, and so great were these difficulties that it did not seem, at the time, that they could be overcome, and the property was closed down.

The American Smelting and Refining Company, however, were so impressed with the original showing that they have been experimenting for years on the ore, and finally they discovered a method which made the ore an economic possibility, and the property was re-opened in 1926.

That the discovery was so long delayed was due to the conditions that obtain in so many of Newfoundland's mining areas, a heavy overburden, that entirely conceals the underlying formations. Fortunately an outcropping in the valley of Buchan's River, revealed this rich ore.

Since the time that active operations have been undertaken, the find has leaped ahead from what was an interesting and valuable discovery to one of such outstanding significance that it almost beggars description.

Fabulous Ore Deposit

Under intensive electrical prospecting a large lense of massive zinc lead sulfides has

(Continued on page 31)

Publicity Bureau Tells Whole World

The Newfoundland Tourist and Publicity Bureau is doing a splendid work in popularizing the delightful tourist and sporting possibilities of the Island. The Association has offices in Boston, at 120 Milk Street, and in London, England, at 58 Victoria Street, in addition to the parent office in the Newfoundland Hotel, St. John's. Captain G. G. Byrne, M. C. is the active secretary of the St. John's office, and any questions addressed to him, relative to locations, sporting possibilities, guides, equipment, housing or hotel facilities, indeed, any information that will be of value to anyone contemplating a visit to Newfoundland will be cheerfully answered.

EXCELLENT ROADS OFFER MOTORIST TRAVEL COMFORT

Island Spends Millions To Make Motoring Delightful

WONDERFUL SCENERY

During the past two years the Newfoundland government has spent approximately $2,000,000 on a good roads programme in the Avalon Peninsula. While many of the government maintained roads are as good as the average road in Canada or the United States, and quite suitable for motor traffic, it was felt that the growing influx of tourists and visitors demanded something better, something that would improve many of the beauty island and make them readily accessible.

400 Miles of Road

The result was the formation of the Newfoundland Highroads Commission, that in the course of the past two years has built and maintained approximately 400 miles of superlative highways that make motoring a delight. The construction of these roads made necessary the replacement of many of the existing bridges.

(Continued on page 31)

New Day Dawns for Dominion; Developments Leaping Ahead

Recent Developments Give New Insight into its Immense and Virtually Inexhaustible Resources — Mining Development Progresses — New and Extensive Power and Paper Production Assured — Tourists, Visitors and Sportsmen Helping To Make Country Better Known — Labrador an Almost Illimitable Potential Asset.

By JOSEPH LISTER RUTLEDGE

There is undoubtedly a new day dawning for Newfoundland—a day in which Britain's oldest colony will assume the place in the comity of nations that her character and resources so eminently justify.

For long Newfoundland has suffered from a popular misconception of its character and resources. Travelers to and from Europe have passed through the fog banks that often lie close to its shores, and have thought of the Island as a fog-bound land of northern desolation. But, fortunately, that day is rapidly passing. Every day, new visitors are coming to its shores, and are returning to their homes to spread the story of Newfoundland's manifold beauties, its marvellous sporting facilities, and its colossal resources, in fisheries, mines and forests.

No Longer Only Fish Land

Undoubtedly the new day has dawned. The time has passed when people think of it as just a fishing country. It is beginning to bulk too large in the world's interest for any such narrow judgment to remain. Not that the fisheries will ever cease to be a dominant factor in the country's life. Providence has looked on Newfoundland with a peculiar smile in that regard, governing the currents cold and warm, so that for all time its waters will teem with fish, just as they have been known to teem for over four hundred years, with no sign of diminution. But there is growing to be a larger vision of what this primary resource may mean to the country. Once it was only pickled and salt fish, but now agencies are reaching out with large plans of putting, chilled and frozen and canned fish on the markets of the world. Already something has been done in this direction, but it is only a beginning. Large interests are behind these ventures. Newfoundland salmon are known to be second to none, the world over, and now the move is on to supply an eager market. If the Pacific coast can profitably employ innumerable canneries to supply the needs of Europe, why not Newfoundland which has as good a product, and is only a step away? Men in Newfoundland have been asking themselves that question, and have come to the conclusion that the case is sound. It is being tried. Frozen fish is being placed on the English and European market with gratifying results, cod oil and cod liver oil, that cannot be equalled by similar products anywhere are steadily gaining a firm place in the world's markets, and a world of other by-products of a great industry are beginning to stem an adverse trade tide. And this is only a beginning. It is a development of only the past few years, and every indication points to a marvellous growth of business, so that Newfoundland's oldest industry is taking on a new lease of life.

Foreign Capital Coming

Like Canada, Newfoundland has suffered for long from the loss of its young men, but, as is the case in Canada, so in Newfoundland, the tide is beginning to turn. In years past it has seemed that the young men have had to seek elsewhere for their future. Opportunities were few. There were relatively few industries to give employment to any not engaged in the fisheries. There was comparatively little money to discover or develop the resources at home. There was nothing to catch at the imagination of capital that is proverbially cautious and conservative. There were a few great organizations fostered by far-seeing men, within the Island, who realized its great potentialities, but even these suffered from the need of capital to finance great undertakings. But that tide too, has turned. Capital has realized that Newfoundland has great and inexhaustible resources, in power that makes progress possible, in pulpwood to meet the growing demand of the great presses of the world, in minerals, iron and zinc and lead and silver, copper and gold. Some of these mineral resources beggar the imagination, and as yet the finds represent only a bare scratching of a few locations. What the future has in store no one can forecast without fear of challenge from over optimism, just as anyone who had forecast the present development in Northern Ontario, twenty years ago would have been laughed to scorn. But the evidence is that great organizations are seeing a future here, and are backing their confidence with cold cash. Organizations like the Anglo-Newfoundland Development Company, the Reid Newfoundland Company, and more lately, the American Smelting and Refining Company, and the International Paper Company, have organized and are organizing great projects. The pulp and paper industry is soundly progressing, and the development of the Gander River hydro electric, and pulp and paper resources, which is assured in the near future will add another great link in the chain.

Latent Wealth in Mines

The spectacular discoveries at Buchan's Mines in the Millertown section have focussed public attention anew on the mineral possibilities of Newfoundland. Estimates that are claimed to be conservative place the value of known ore in the hundreds of millions. One powerful mining company is pushing development work on a large scale in this section. Several other great English, Canadian and American mining companies have optioned extensive tracts in the vicinity and will undertake extensive exploratory work, that may be expected to materially increase this already huge estimate.

The iron mines on Bell Island, Conception Bay, are among the richest and most extensive in the world, the known reserves reaching into the billions of tons. And there are reputable mining authorities who claim that the whole Avalon Peninsula is one great iron storehouse. According to the Newfoundland government, geologists report in the St. George's Coal Fields section "the most important mineral discovery yet made in Newfoundland." There is a

(Continued on page 18)

PORCUPINE GOLD COMPANY ENTERS RED INDIAN AREA

Options 30,000 Acres Near Buchan's Mine

The Porcupine Goldfields and Development Company, Limited, has optioned 30,000 acres of mining land in the vicinity of Buchan's mine on Red Indian Lake. The area under option is owned by a St. John's syndicate headed by H. B. Hatch and B. E. S. Dunfield. The optioning company is a subsidiary of the National Mining Corporation of London, England. This corporation is one of the largest and most powerful of the English mining organizations. It is apparent that the entry of this strong British company into mining in Newfoundland will have a far reaching effect.

The Porcupine Goldfields Development and Finance Company was incorporated in England in 1923 and has as directors:—

Chairman—F. W. Baker.

J. A. Agnew, R. Annan, Lord Brabourne, Forrester Clayton, J.P., Sir Edward Manville, Secretary A. E. Ford.

The parent company, the National Mining Corporation of London, has as directors:—

Chairman — H. Guedella; Walter McDermott of the Consolidated Mines Company.

J. A. Agnew, of the Burma Corporation.

F. A. Govett, of the Lake View & Oroya Exploration Company.

S. Christopherson, of the Consolidated Goldfields of South Africa.

B. Kitzinger, of the National Bank of South Africa.

A. S. Elmore of the Chemical and Metallurgical Corporation.

Sir H. S. Barnes.

H. D. Lewis.

This corporation is interested in Burma Corporation, Ltd., Santa Gertrudis Co., Ltd., Mexican Corporation, Ltd., Tanganyika Concessions, Ltd.

AVALON TELEPHONE SERVES 96 PLACES

Provides Telephone Connections For Nearly Half of People on Island

The Avalon Telephone Company, Limited, was inaugurated seven years ago, and, at that time, it served 900 subscribers in St. John's. To-day it serves 96 communities with a total population of approximately 110,000, and has 5,000 customers, the bulk of whom are in St. John's. Though this is a surprising development for so short a time, the near future will show a still more marked development, for the numbers of users of the service are increasing rapidly, and new equipment is being installed to meet these growing needs. The initial plant was taken over from Anglo-American Telephone Company, and the United Towns Electric Company, with which latter company the Avalon Company works in conjunction, thus minimizing the cost in lines and pole equipment. Since taking over these plants extensive additions in outside lines have been made, so that the company offers telephone communication with the most important sections of the Avalon Peninsula, even to submarine cable telephone communication with Bell Island, the Iron mining section of Conception Bay. The company is steadily pushing its lines into other sections, and its business is steadily growing. The company handles 70,000 long distance calls a year, and an aggregate of about 10,000,000 regular calls. Operators in the St. John's exchange are often called upon to handle from 500 to 700 calls an hour. The company employs 30 operators.

The first steamer arrived in Newfoundland from Halifax, the S.S. North American, in 1844.

Icebergs Sometimes Misleading

All that many people see of Newfoundland scenery, an iceberg, one of the dangers to shipping, that has been a factor in a popular misconception of Newfoundland just as Canada has suffered from absurd stories of its rigorous climate.

NEW DAY DAWNS FOR DOMINION

(Continued from page 17)

difference of opinion among mining men as to the extent and economic importance of this find, some opinions failing to agree with the outright enthusiasm of the government geologist. However, this may be, at the best, Newfoundland has a new economic resource of untold importance, and even if the opposing opinion were proven to be correct, there is yet ample evidence in these fields of important deposits of coal that should result in future finds of first importance. In the La Manche section there are lead deposits that are being developed with local capital that approximate an annual outturn of half a million dollars.

Copper Deposits Extensive

There are known to be extensive deposits of copper in the Island, some of these have been worked in the past and resulted, at that time in Newfoundland being rated sixth in the copper producing countries of the world. Other important discoveries of copper, notably that between Bonne Bay and Bay of Islands, represents a known copper bearing area of 60 square miles. With modern methods of mining, these great deposits can be profitably developed, and such action will undoubtedly come in the near future.

Limestone is found at Port au Port Bay, and is used to supply the steel furnaces at Sydney, so with the discovery of coal, Newfoundland has every essential for a great steel and iron industry.

Change Mining Law

Other minerals, both precious and base, are known to exist, though up to present investigation work has been limited. This has been partially due to the heavy overburden that exists in a considerable part of the country that makes prospecting difficult, partially to the difficulties incident to the nature of the country itself, and partially to the mining laws that failed to give the prospector the fullest measure of protection. It is understood that changes in the existing law are proposed to overcome this latter difficulty, and such action would undoubtedly result in a vastly increased interest in prospecting that should result in other important discoveries. Every geologic formation that has proven of importance in the Canadian mining field is represented in the island, while it is known that the trend of the glacial drift in this region was to wear off the surface leaving only the bases of the deposits. As Canadian mining experience has gone to prove that the more important values appear at depth, there is every reason to expect, according to mining authorities, that mineral discoveries will represent high percentage values.

Labrador Great Unknown

The decision that vested the ownership of the major part of Labrador with Newfoundland, has given a clear title to a vast area of fabulous potential wealth. It is too early to state just what action Newfoundland will take in regard to this great section, but in any event it represents an asset of almost incalculable value. It is very easy to speak in hysterical figures about a country of which so little is really known, but undoubtedly its possession makes the future of Newfoundland doubly secure. One authority has mentioned the possibility of selling this country, the figure suggested was fifty million dollars, and that would generally be considered a conservative estimate that does not approach its actual value. But even at that it would virtually wipe out the existing national debt of the whole island. The question of its disposal will rest on a matter of policy, as to whether Newfoundland would be well advised to attempt its development. There is little likelihood in any decision in regard to this question being reached until some actual estimate of its resources have been made. Rough estimates have placed its resources in standing timber at $250,000,000. Grand Falls on the Hamilton River is a mightier cataract than Niagara and according to the estimate of A. P. Low, of the Geological Survey of Canada, it discharges water at the rate of 50,000 cubic feet per second. Another estimate has placed its generating capacity at five million horse power.

What this great land has to offer in the way of minerals no one can definitely say. A. P. Low, who made an extensive survey of the country in 1892-95, reported vast deposits of hematite and magnetite rich in manganese. Mr. Low also reported favorably on the indications for gold, and copper and lead deposits are known to exist. It is well within the bounds of possibility, considering the geological formation of the country, that it may be found to be singularly rich in mineral.

New Day Dawning

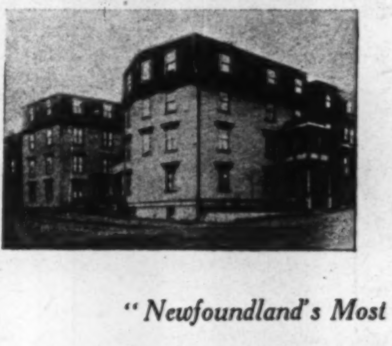
With such indications presented it is fairly obvious that a new day is dawning for Newfoundland. What it has needed in the past was capital, capital to make the explorations, and to assure the development. This flood of capital is beginning to turn toward the Island. Every great undertaking that is brought before public attention makes it easier to secure that capital. Every visitor to Newfoundland who returns home bearing golden impressions of his stay, makes for that understanding and appreciation that spells achievement. Newfoundland is a young man's country. They did not think so only a few years ago, when the young men were drifting away to seek their opportunities elsewhere. But the tide is turning, and the oportunities are offering, and will constantly offer in ever enlarging volume, and Newfoundland will, in the near future find a generous place for all its own, and for many from other lands, who will realize its vast and unexploited opportunities.

ENGINEERING CONTRACTORS

The Churchill Engineering Works does a general business in marine engine and boiler repairs, steamfitting and heating, industrial machinery repairs and automobile repairs.

Former French Capital

Placentia, once the capital of the French colony in Newfoundland, a place of intense historic interest and charm for the visitor.



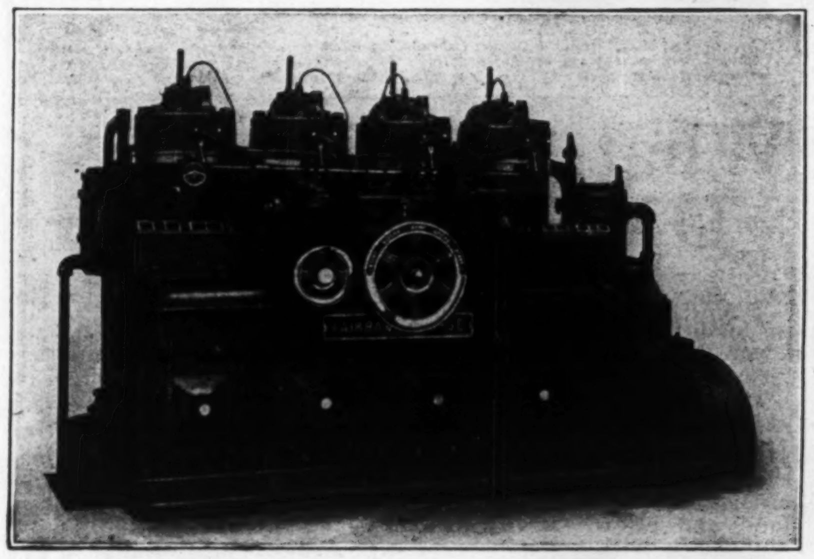
The Cochrane

"Newfoundland's Most Home-like Hotel"

ST. JOHN'S
NEWFOUNDLAND

Rates:
$3.00 per day and up
American Plan

W. E. STIRLING,
Manager



Serving the Maritimes and Newfoundland

THE St. John Branch of The Canadian Fairbanks-Morse Company, Limited, fulfils a not unimportant function in supplying the widely varying needs of a great many essential industries of the Maritime Provinces.

Maritime schooners, ferries and fishing smacks are dependably and economically powered by Fairbanks-Morse Marine Engines.

Maritime cities and towns operate Fairbanks-Morse Lighting and Pumping systems.

Railway yards, warehouses and elevators weigh on Fairbanks Scales.

Maritime pulp and paper and lumbering companies are supplied with machinery and equipment by Fairbanks-Morse.

And countless Maritime manufacturing plants know that at Fairbanks-Morse they can find an unusually large stock and prompt service in all kinds of machine tools and shop supplies.

Fairbanks Scales, Valves
Fairbanks-Morse
Stationary Oil Engines
Marine Oil Engines
Pumps, Generators, Motors
Lighting Plants
Marine Supplies
Pratt & Cady Valves
Pipe and Fittings
Reverse Gears
Propellers
Machine Tools
Transmission Equipment
Graton & Knight
Leather Belting
Dick's Balata Belting
Radio Outfits
Winches & Hoists
Yale Hoists
Shop Supplies
Automotive Equipment

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THE STORY OF CORNER BROOK AND THE I. P. DEAL

Newfoundland Has Several Big Pulp and Paper Developments

Largest of These, Newfoundland Power and Paper Corporation, Is About To Be Sold to International Paper Company, According to Present Status of Negotiations

INDUSTRY ON FIRM FOOTING ON THE ISLAND

Troubles of One Company Were Due to Extravagant Construction Costs and Lack of Experience and Organizing a Gigantic Pulp and Paper Company

Newfoundland's Record in the Air

The first wireless signals were sent across the Atlantic by Marconi from his station at Signal Hill, St. John's, to station at Poldhu, Cornwall, 1901.

The first attempt at trans-Atlantic airplane flight unsuccessfully made by H. G. Hawker and Commander Grieve, May 1919.

The first non-stop crossing of Atlantic Ocean made by Capt. John Alcock and Lieut. A. W. Brown, June, 1919, starting eastward from St. John's, in Vickers-Vimy airplane. Time 16 hours, 12 minutes.

The first wireless telephone communication from Signal Hill, St. John's to R.M.S. Victorian, 1200 miles distant at sea, September 1920.

By reason of its enormous resources in pulpwood timber, Newfoundland has been destined to be the centre of an extensive pulp and paper industry. It was the Reid Newfoundland Company, which has had such vast interests in Newfoundland, and has played such a striking part in the development of the country, who took the first definite steps toward bringing this great industry into being. Their vast holdings in forest lands and power right secured largely in return for the building of what was then known as the Reid Newfoundland Railway, were virtually valueless until some such development took place. It was through this company then that Lord Northcliffe, owner of The Daily Mail, The Evening Mirror, The Evening News and a variety of other publications, and thus one of the world's largest purchasers of newsprint, was interested in Newfoundland as a source of supply. As a result, the Anglo-Newfoundland Development Company, one of the greatest development organizations in the country was brought into being, and in 1909, early in the history of pulp and paper industry the great plant at Grand Falls on the Exploits River was established. The cost of this plant was six million dollars and controls timber land, under the original project of 4,000 square miles.

Pipe Pulp Nine Miles

The Albert E. Reed Company also operated a mill at Bishop Falls on the same river. Under arrangement with the A. N. D. company the pulp output of this mill was piped nine miles to the Grand Falls plant to be manufactured into paper. Together, the output of these two enterprises resulted in an annual outturn of approximately 60,000 tons of paper and 20,000 tons of pulp.

More recently the Terra Nova Sulphite Company, a Norwegian concern, completed a modern plant costing some two and a half million at Alexander Bay in the Bonavista Bay section, for the manufacture of Sulphite pulp. This plant was later taken over by the A. N. D. plant, so materially increasing both its outturn and its resources in forest reserves. The company has also planned further extensions extending over the years 1926-1927-1928 that will result in an expenditure of some two millions and will further extend the scope of this great pioneer paper industry.

Corner Brook Development

The development that has been most in the public eye recently is the Newfoundland Power and Paper Company, Limited, which was incorporated in 1923, and was planned on a huge scale. It was to make use of the vast timber and power resources of the Humber River section. This company was originally capitalized at $18,000,000, and planned to develop up to 250,000 horse power, and to produce an initial outturn of 400 tons of paper per day. This great project was formally opened in August, 1925, with an initial power development of 100,000 horse power, and with another 150,000 horse power in reserve to be developed as occasion warranted.

From one standpoint there seemed to be no reason to doubt the success of this undertaking inaugurated under the mutual guarantees of the Imperial and Newfoundland governments. Its plant was superb, its location second to none and the conditions of its operation satisfactory. Unfortunately, however, conditions have arisen in the actual creation of the plant that have been a cause of great worry to all the parties concerned. This can be said without in any way reflecting on the merits of the proposition as it existed, or on its probable future.

The cost of the concessions and construction were colossal. In addition to the money provided by Armstrong Whitworth, whose subsidiary is the Newfoundland Power and Paper Company, Ltd., the British Government guaranteed bonds in regard to machinery purchased in Great Britain to the extent of two million pounds, and the Newfoundland Government guaranteed another two million pounds at 5½ per cent. interest. Another four and a half million pounds was raised by debentures, and Armstrong Whitworth guaranteed a still further three million pounds borrowed from bankers.

Much Tangled Situation

There was perhaps nothing inherently wrong with this scheme, but in the construction of the plant, cost ran far beyond expectations. One English paper characterized this building program as "gross and foolish extravagance." All the evidence seems to bear out this stricture. The work was undertaken in the spirit of war-time production; accomplishment without regard to cost. Armstrong Whitworth, while an old and powerful and highly regarded company, had had no experience in the construction of paper plants. The engineers and agents in charge while entirely capable men in their own lines were equally lacking in an accurate knowledge of this peculiar industry. Everywhere costs mounted up far beyond the original estimates. A town was constructed without thought of possible returns. Workingmen's houses built at a cost of some $10,000 were renting at $300 a year. Tug boats that cost in the tens of thousands, and that were not as suitable for the work as would have been native boats that could have been purchased for nominal sums, were shipped from England and assembled on Deer and Grand Lakes, with the idea of using them to tow rafts of timber down the lakes. In itself this project showed a lack of knowledge of the rudiments of the pulp and paper industry, for on these great lakes it was impossible to raft timber. Storms tore the rafts to pieces, and tens of thousands of dollars worth of timber was scattered over the marshy margins of the lake, a total loss. These are merely incidents illustrative of the conditions that obtained in all departments of the work.

Were Not Conversant

It is not suggested that there was anything venial in this colossal wastage. It was rather that the men entrusted with the work were not conversant with the working conditions of the industry, or with the peculiar factors incident to the location of the plant, and were at the same time imbued with the war-time idea of getting the thing done at any cost. Newfoundland, with its single member on the directorate was not able to do anything to correct these conditions.

At the start of operations the company found itself faced with a dull paper market and with a plant that was too costly to operate economically.

Wanted to Step Out

Faced with these conditions the Armstrong Whitworth Company proposed to turn over their own individual obligations of some 3,000,000 pounds to the banks at the best terms they could make, and notified the British and Newfoundland governments that they would have to implement their guarantees.

It was at this juncture that the International Paper Company, who had for some eighteen months been investigating the possibilities of the Gander River power and paper resources came into the picture. They approached Armstrong Whitworth and the British Government and secured an option on the Corner Brook property, and with this in their possession approached the Newfoundland Government.

High-Handed Action

To say the least, this action on the part of the British Government of giving an option without consulting the other party to the agreement, was a strange procedure. They did, of course, include a clause to the effect that the option was dependent on the agreement of the Newfoundland Government.

But despite that fact, the International Paper Company came to the Newfoundland Government with all the cards in their favor, and naturally enough, they proposed to make the best possible terms for themselves.

They knew that the Newfoundland Government was more than anxious to secure the development of the Gander River project and this fact gave a great trading advantage.

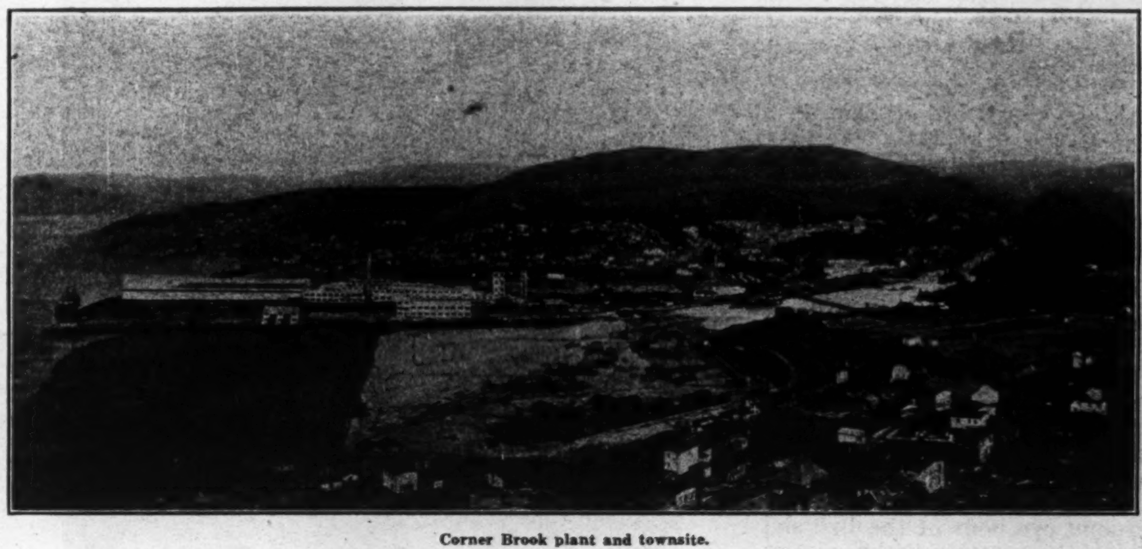
It is understood that the offer of purchase of the Corner Brook plant was made on certain stringent conditions. Among them were demands for timber areas and power rights in Newfoundland and Labrador covering 12,000,000 acres at one-fifth the price usually paid for such areas in Quebec. The company also asked for one-fourth of the merchantable timber areas of Labrador, at an annual rental of $2 per square mile, with the right to export the wood to the United States.

Would Export Pulpwood

It was on somewhat the same basis that the Gander River project was originally added to the agreement. The company was prepared to take it over and develop it in time, but wanted a clause in the agreement whereby they could export pulpwood until such time as a mill was built on the site and they could operate there. As the time for the building of this mill was indefinite, it made this development program, from which Newfoundland has hoped so much, of very doubtful advantage.

(Continued on page 22)

Great Newfoundland Paper Plant Sold to International Company



Corner Brook plant and townsite.

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BELL DEPOSIT GREATEST IRON MINE IN WORLD

Here British Empire Steel Corporation Draws Raw Ore

Within a short motor ride of St. John's in beautiful Conception Bay is probably the most remarkable iron deposit in the world. Its ore reserves are estimated in billions of tons, and its underground workings stretch for miles under the sea. Bell Island, lying only three miles off the shore, is readily reached.

It is known as the "Isle of Iron" and it is well worth a visit from any tourist who is interested in mammoth enterprises.

Here are located the underground ore beds of the British Steel Corporation, whose annual output in recent years has reached 1,000,000 tons. Bell Island can be reached from Topsail, Kelligrews and from Portugal Cove (St. John's East). The large piers at night when lighted up present a spectacular sight from Topsail and vicinity. During the busy season the place is a blaze of electricity. 10,000 ton steamers can be loaded in a few hours with the modern conveyors installed at the piers. Bell Island's population is mostly made up of workers from most every centre in Conception Bay. The sensation of a ride under the sea can be enjoyed as a novel feature of the visit. The mines extend under the ocean for more than one and half miles in various directions. Motor cars are available for hire on the island.

Splendid Drydocking Offered at St. John's

The Newfoundland Dockyard, operated by the Newfoundland Railway is as modern and as efficient a plant as anything operating on the Atlantic seaboard. The modern dockyard that was completed in May, 1926, and replaces the old wooden drydock that occupied the same location at the extreme end of the harbor. The old drydock that was dismantled to make way for this splendid new plant, had been in business since 1884 and cost $550,000 to build. The new drydock that replaces it is built of concrete with a length on the blocks of 570 feet, a width of 70 feet and with a 27 foot depth of water at the sills. With these dimensions it is capable of handling any but the very largest type of ships, indeed any that can make the Port of St. John's. Its tariff schedule shows charges up to 15,000 ton gross register.

The plant adjoins the terminus of the Newfoundland Railway, and is ideally located for making repairs at all seasons of the year. The dock is equipped with electric capstans, traveling crane, and at the entrance a sheer-leg derrick to lift 50 tons. A modern machine shop is close at hand. as well as lay-to wharfage at deep water piers. Mr. W. C. Harvey is the superintendent in charge of the work.

Colonial Cordage a Premier Industry

The Colonial Cordage Company of St. John's, Newfoundland, better known locally as "The Rope Walk," was founded in 1886. In a sense its operations are something in the nature of a public utility, in that fishing, the major industry of the Island, is dependent on twines and cordage for its very life. The management has always felt that they have this dual responsibility to the sailors and fishermen on the one hand, and to their shareholders on the other. They have been singularly fortunate too in both these respects, so that the stock of the company is held in very high regard, while the products of the company virtually meet the entire demand of the colony.

The company manufactures a complete assortment of lines, twines, nets and cordage. Since the inception of the business their output has been steadily increasing, and their reputation, both in a commodity and financial sense is of a very high standard.

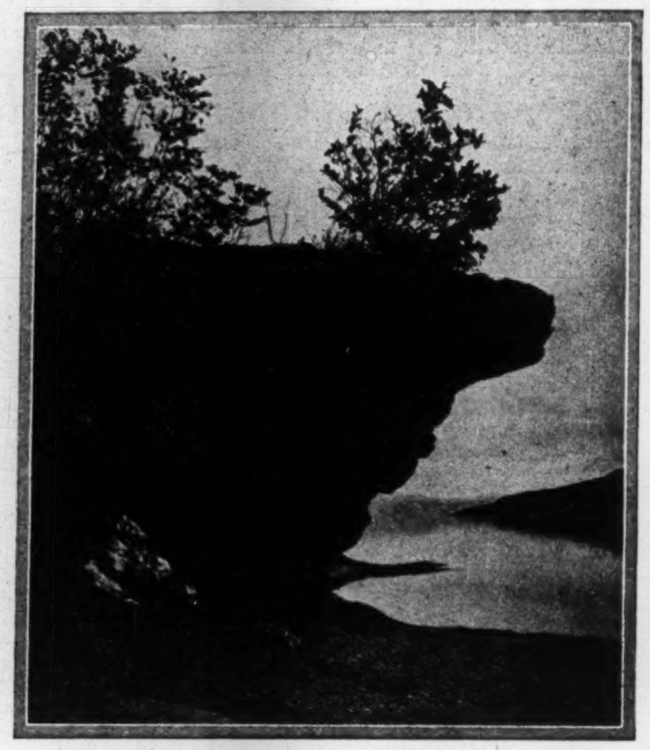
The company operates an extensive plant on the outskirts of the city, employing an average of 200 hands throughout the year.

General Stores Branch Has Extensive Trade

The General Stores Department of the Newfoundland Railway carries on a very extensive business. This department is wider in its activities than that of any other similar railway department, in that it provides not only the extensive stores required by a railway with over a thousand miles of trackage, to be built and maintained but it supplies also the supplies for the Drydock, and for the government steamers that ply along the coasts of the Island and to Labrador, and also those that make the run between North Sydney and Port Aux-Basques.

The first roads built in Newfoundland were constructed during the regime of Governor Duckworth, 1825.

Newfoundland's Beauty



Caribou Head on the Humber River.

Government Not Unlike One That Canada Enjoys

The government of Newfoundland differs little from that in force in Canada, the main differences being in name alone. It has had its own independent constitution since 1855.

Parliament consists of two houses: the house of assembly or electoral branch and the legislative council, or upper house.

Manhood sufferage is possessed by all males of age of twenty-one years and upwards. Females 25 years and upwards.

For purposes of elections, the country was divided into eighteen districts, which elected a total of thirty-six members to the house of assembly. Under the new redistribution act, passed at the last meeting of the legislature these districts are sub-divided into 37 districts, 34 of which will elect one candidate the other three electing two candidates each, making a total of 40 members in the house of assembly.

Elections take place every four years. The last general election was held in June, 1924.

The membership of the legislative council is limited by the Imperial authorities to twenty-six councillors, who are styled "Honourable." Total membership at present and for some time past, twenty-four.

The central government or cabinet is known locally as the Executive council. It consists of from nine to twelve members.

Harbor Grace is Industrial Community of Importance

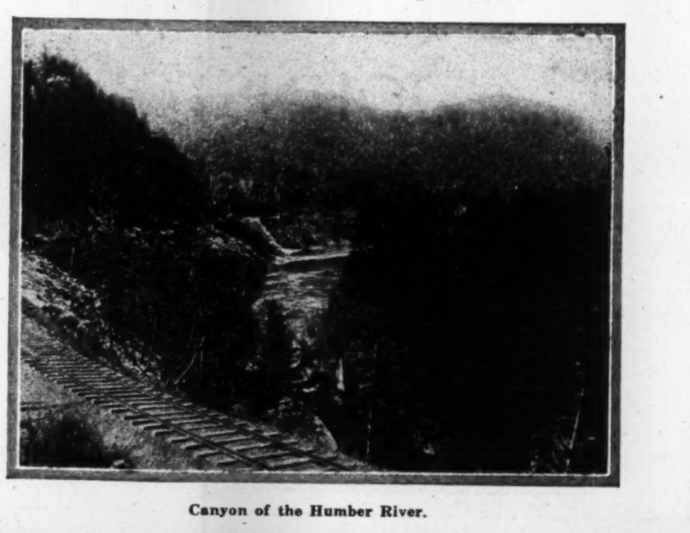
Harbor Grace was, at one time, the capital of Newfoundland and a place of great commercial activity. While that former glory has, in a measure, passed from it, the town is still a place of importance, with important industries and many attractions that make it a favorite tourist resort.

The harbor is over four miles long and is splendidly adapted for boating parties. Harbor Grace has many fine public buildings and churches, a marine dock, boot and shoe factories, oil manufacturies and two cable companies. The town itself is well laid out and many of the old landmarks of the past are still to be seen. It was here that most of the Old Country merchants located in the early period of the country's history and an enormous trade was done with England and many European countries. The present population is about 6,000. Good fishing can be had within a few miles of the town. Cabs and motor cars are easily available. The run from St. John's by train is about four hours. By motor it can be done in about 3 or 3½ hours.

Scenery Along Coast Line

Herring's Cove, a typical bit of Newfoundland scenery.

Supplies Power for Paper Mill



Canyon of the Humber River.

Wage Bill of City Is Million and Half

Perhaps very few people realize how extensive an industrial business is carried on in St. John's. As the Eastern terminus and headquarters of the Newfoundland Railway, it has naturally all or most of the maintenance shops. The drydock that serves the extensive government shipping, as well as the independent and transient work.

But, in addition to these governmental activities, there is a wide range of industries that bring the city's annual wage bill to well over a million and a half dollars.

Among the public utilities are the Telephone, Electric Light and Gas companies that all have extensive plants offering a wide service. In addition there is a wide range of industrial activities, saw and planing mills, foundries and machine plants, two shoe factories, cordage plant, two breweries and aerated water plants, tobacco factory, paint and oiled clothing manufactories, publishers and book binders, clothing companies, confectionery, biscuit and bread manufactories, oil paints, contracting and building companies, and many other industries of note.

St. John's is indeed a more active industrial town than any other city of its size that serves an equivalent population.

Saint John's Is City of Splendid Stores

The visitor to St. John's will undoubtedly be struck by the unusual character of its commercial businesses. Here they will find stores that do not need to fear comparison with stores of their type anywhere, grocery stores, that can offer seasonal and quality goods, drygoods and clothing stores that in appointments and stock do not suffer by any comparison; book stores that can only be equalled in the larger cities of this continent. Indeed the visitor to Newfoundland need not come impressed with the idea that he must perforce come with every need supplied. Virtually any need can be adequately and fitly met in the city of St. John's.

It is possible that the very factor of its situation has resulted in a benefit to the citizens of St. John's. The merchants, not having their sources of supply within easy call, must think ahead and carry fuller stocks. However much a burden this may be to the individual merchant, it has certainly resulted in a general retail business that is far beyond the average of a city the size of St. John's, and any traveler may come there assured that he can make his purchase as satisfactorily as he could do at home.

The first telegraph message was sent out of Newfoundland across the Gulf to Nova Scotia, in 1856.

Horwood Lumber Co. Operates Many Mills

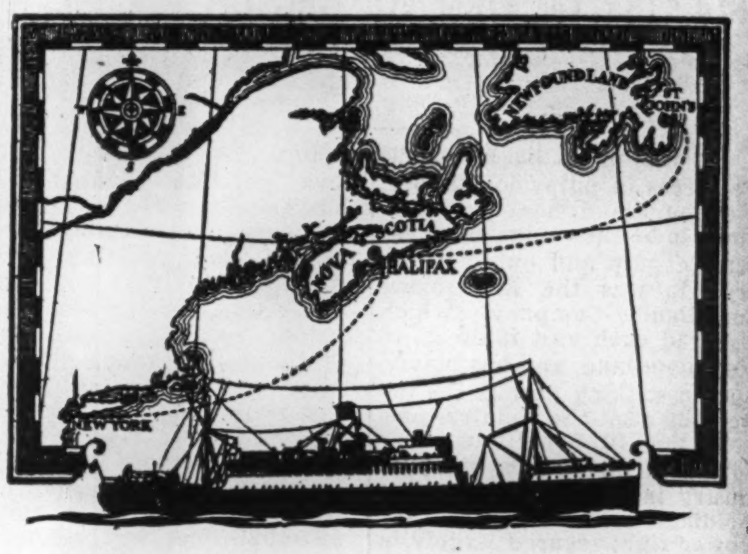
The Horwood Lumber Company does a general lumber and contracting business on a large scale, and adds to that several notable interests. The company owns and operates saw mills and planing mills at Horwood and Campbellton on Notre Dame Bay, where they have forest limits of some 300 square miles. The products of these mills are shipped to St. John's for disposal.

In St. John's the company operates a planing mill, a sash and door factory, a carpenter's department for providing house and office furnishings, and a plant for the manufacture of domestic brushes and matches. They also do an extensive contracting business. They built the Memorial College, the Methodist College, the Bond Street School, and other public buildings as well as many large residences.

This business is entirely domestic, but the company does an extensive export business in laths. They employ some 125 men in St. John's, and approximately 150 men in the outside mills. Mr. R. F. Horwood is managing director of the company.

LABRADOR FISHERIES

Twenty thousand people from Newfoundland visit the shores of Labrador during the fishing season and return with from two to three hundred thousand quintals of fish.



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The Furness Withy Co.
The Farquhar Steamship Co.
From MONTREAL—The Clarke Steamship Co., a weekly service to Corner Brook, situated on the West Coast at the mouth of the famous Humber River.

For the information of those who may prefer a land journey: North Sydney, Cape Breton, is the connecting point in Canada for Newfoundland and it can be reached with ease from any part of North America. A seven hour passage across Cabot Strait on S. S. "Caribou" connects the visitor with the Newfoundland Railway Express Train at Port aux Basques.

Information cheerfully furnished by

Newfoundland Tourist & Publicity Bureau

St. John's, Newfoundland

OR

Newfoundland Information Bureau

Room 49, Journal Building, 262 Washington Street, Boston, Mass.

LABRADOR'S POTENTIAL RESOURCES STAGGER

Grand Falls of 5,000,000 h.p., Only One of Mighty Assets

Privy Council Decision Hands No Less Than 110,000 Square Miles Over to Dominion

ENORMOUS SUPPLIES OF CHEAP PULPWOOD

All Great Mineral-Bearing Formations Known to Exist in Labrador, Giving Assurance of Tremendous Future Development There

Newfoundland's first claim to Labrador was based on an annexation proclamation dated 1763. There has never been any doubt on the part of Newfoundland as to their ownership of the territory, and they have always exercised sovereignty, issuing titles to properties thereon.

The appeal of a disgruntled claimant for such a title, that had been refused by the Newfoundland Government, to the Province of Quebec, and that province's action thereon, was one of the factors in bringing the question to a head. Canada had also claimed the territory, admitting certain coastal rights, for fisheries purposes to Newfoundland. But it has only been during the past forty years that any particular interest has attached to these divergent claims, and only of very late years has the question assumed any importance. The growing interest in power, pulp and mineral resources have lately given the question a new interest, and early in 1927 the question came before the Imperial Privy Council for adjudication.

Newfoundland's claim involved a territory of some 120,000 miles in extent, as marked by the inland watershed. By a decision handed down on March 1st, of this year, virtually this whole territory, 110,000 square miles, was definitely ceded to Newfoundland, with all the immense potential resources it contained.

Labrador's Latent Resources

Aside from the fishing rights on the coastal waters that employ some twenty thousand citizens of the island of Newfoundland during the season, which rights have been admittedly Newfoundland's, this great section has extensive resources, that have never been fully investigated. The only extensive survey of the section that has been undertaken was made by A. P. Low, of the Geological Survey of Canada, who made extensive investigations along the East Main, Koksoak, Hamilton, Manicuagan and other rivers over a period from 1892 up to and including 1895. While other investigators have visited scattered sections, but Mr. Low's report, based on these relatively brief investigations, is the only authoritative discussion dealing with the country.

In this report Mr. Low made reference to Grand Falls on the Hamilton River, the mightiest and most powerful cataract on the continent, and one of the very greatest in the world. According to Low's report there is an actual drop of 302 feet at the falls proper, with an estimated discharge of 50,000 cubic feet per second.

Above this falls the water drops steeply, falling two hundred feet in the course of the five miles above the cataract. Estimates have placed its generating capacity at 5,000,000 horse power.

Possibly more attention might have been given to this mighty force but for its isolated situation. It lies three hundred miles inland from the sea, through a virtually unexplored country. It can be reached by way of Hamilton Inlet and Lake Melville that opens into the sound, that gives a waterway for about 100 miles, but the Hamilton River itself is the only path further, and by way of the river the distance would still be approximately 250 miles.

What will undoubtedly eventually bring about its development is the virtually inexhaustible resources of pulpwood that are known to exist. No definite survey of these resources have ever been made, but they are known to be vast in extent, and so reliable a paper as the New York Times has estimated their value at $250,000,000.

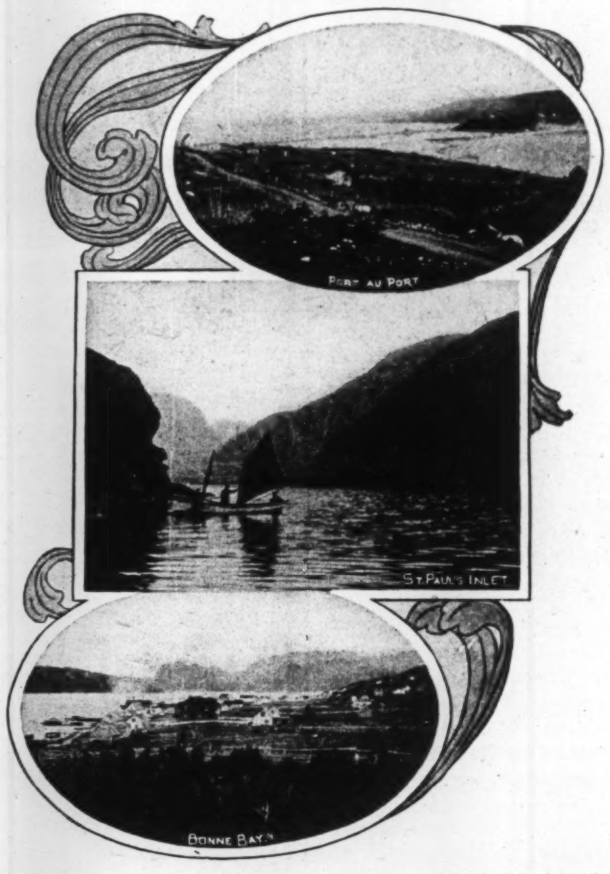
In addition to Grand Falls, several other water power sites, one of them, Yale Falls, of almost equal magnitude, have been located.

Possible Mineral Resources

There seems to be no limit to the possibility of mineral discoveries in this great section of Labrador. All the great mineral bearing formations are known to exist there. Low's report notes the presence of vast areas of haematite and Magnetite rich in Manganese. He also reported favorably on the prospects for gold.

As a matter of actual experience, gold, copper, iron and lead are known to exist in both Quebec and Newfoundland Labrador, though no work has been done to determine their actual commercial value. There is little doubt, however, that the future will see a great development there. As matters now stand, however, it is an unusually hard country to prospect, and because of its present inaccessability finds would have to be of an exceptionally high grade to justify development at the moment.

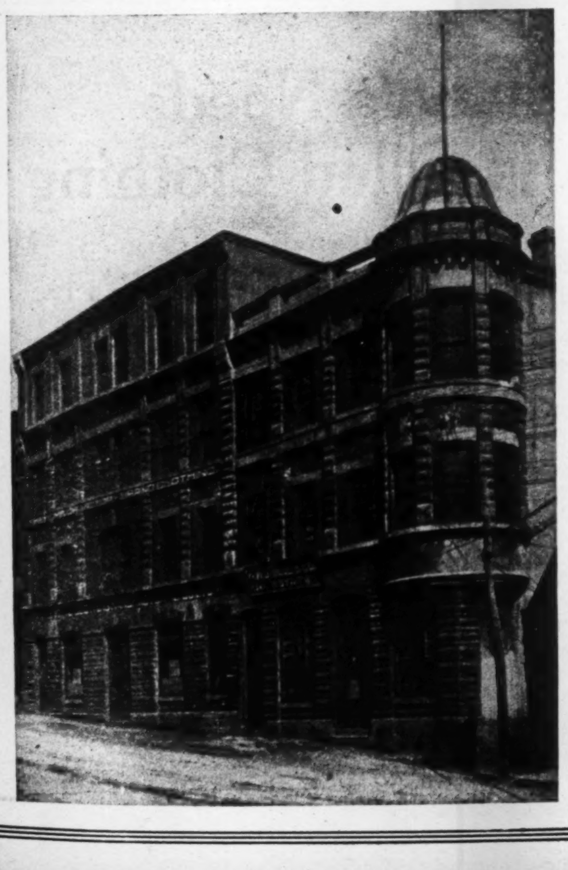
Scenes on West Coast



Typical scenes on Newfoundland's West Coast, that give some hint of the beauties to be found there.

Fishing is Good Anywhere in Newfoundland

Newfoundland is a sporting country without a peer. Drop a line almost anywhere, and fish snap for the hook. And, best of all, its waters are free to all.



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If You Need a Market In Newfoundland Consult Us

IF YOU have a commodity that can be sold in Newfoundland, we can sell it. We are among the largest operators in the country, with contacts in every part of the Island. Our extensive business, both export and import, has given us a connection that assures a market for anything we handle.

Our travellers are constantly covering the Island as no outside agency could possibly cover it, and we are prepared to take on other manufactured lines that are suitable for this market. Our long experience and extensive sales organization is at the service of manufacturers who have such goods to offer.

The breadth of our business is best illustrated by a rough survey of some of the goods we are already handling—foundry products, marine and stationary engines, gas, lubricating oils, kerosene, spark plugs, batteries, hardware, enamel, aluminum, glass and crockery, grocery lines, milling products, tobacco, and similar lines.

We are also steamship agents, with our own docks to accommodate any size steamers. We handle coal and supply bunker coal to shipping. We have also our own cold storage plant, and do an extensive business in salt and pickled fish for export.

We would be glad to hear from any manufacturer who is interested in this market. Our experience and organization is at your service. Advise us what you have to sell and we will gladly discuss the matter with you.

A. E. Hickman Company
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St. John's Newfoundland

DROP YOUR LINE ANYWHERE AND FISH WILL BITE

Practically Every Brook or Stream Teems With Fish

It is obvious that in a country like Newfoundland, where streams and pools are everywhere, and where every stream has its complement of fish, that it is impossible to mention even all of the best-known resorts, and any mention is sure to leave out some section that is dear to the heart of the Newfoundlander. The following descriptions do not pretend, therefore, to be more than a rough outline of some few of the many sections where splendid sport is to be found by any angler who cares to visit it. If your destination is some other section, then the Newfoundland Tourist Association will be glad to elaborate these comments by full information regarding your chosen spot.

There are three splendid rivers situated at or near Trepassey an historic settlement. The North West and North East Rivers are right in Trepassey, just a short distance from the Court House. The North West River is one of the finest salmon rivers in the country. A first class carriage road takes one to the mouth of the river where the first pool is situated, it is three miles from the mouth of the river to the first fall, and for about three miles going up river there are in the vicinity of 20 fishing pools. Splendid fishing can be had all along this fine river for miles until it comes to the Chain of Ponds. There is ample room for from 25 to 30 rods to fish the North West River. North East River is easily reached, as a road passes right along by its mouth.

Salmonier is Great Fishing Section

Universally admitted as one of the best fishing resorts in Newfoundland it is also noted for its magnificent scenery. The drive from Holyrood to Hick's Hotel (Riverhead) takes the traveller through a country unexcelled on the Island. Pinsent's Falls, the famous salmon pools, has three permanent camps all of which are available to the angler.

Fish and Deer at Colinet

Colinet River is another river fine for salmon and trout and going up this river the following pools are met with. About 400 yards from the mouth Crows Nest Pool, about ¼ mile above that Fall Pool, ¾ mile further on Salmon Pool, and ½ mile further up the river is the Long Pool, and Colinet Pool is situated five miles from the mouth of the river, three miles of this distance can be covered by motor car and about an hour's walking through marshy ground takes one to the pond, which is noted for its splendid run of salmon and trout. A very fine deer stalking ground known as "The New Park" is situated about nine miles from the settlement of Colinet.

Sound Island Fishing Ground

Sound Island, (Placentia Bay) has two rivers, namely Black River and Piper's Hole River, the latter has some excellent pools, the first, known as Rev. Hurp's Rock, is at the mouth of the river, then Supt. Cobb's Pool, which is situated about 200 yards above Cobb's and then Winter's Pool is reached. These rivers can be reached by the Old Fortune Bay railway track. The nearest railway station is Come-by-Chance, which is eight miles distant.

Grey River on South West Coast

Grey River is situated between Ramea Islands and Cape La Hune in the District of Burgeo and Lapcile. There are three fine rivers in this section, namely: the Northeast River, Northwest River and Southeast River. The first mentioned is the largest of the three. Salmon around there in large quantities.

Good Sport on Garnish River

Garnish River possesses several fine salmon pools between its mouth and the lake, a distance of six miles; first is the Tidal Pool and going up river the following pools are met with: Weep Point Pool, Burin Rock Pool, Smith's Pool, Royal Head Pool and Island Pool. The last named is the best for salmon, trout is very plentiful in all. After crossing the lake, Black River is reached, at the mouth of which is located a fine Steady where good fishing is always available. Mr. James Lorenzen generally acts as guide for tourists in this section. During the months of August and September. Twillick, Ring Neck Plovers and other small game are plentiful, but the game laws do not permit the killing of those birds until the 20th September. Partridge are also very plentiful in season. The scenery in this section is some of the best in the country.

Brook and Sea Trout Plentiful

Wyses' Pond at Villa Marie Station, twenty minutes by train from Placentia, affords good trout fishing. The Northern Brook, seven miles by boat is a good trout and salmon stream after the 15th of July. At Freshwater Cove, close by, splendid sea trout are numerous from June 10th to July 15th, after which they may be followed up stream in the Northeast and Southeast Brooks. The Southeast Brook is one of the best trout and salmon streams in the Colony. Other good streams for early July are Glyndan's Cove and Barrisway Brooks, five and eight miles, respectively, from Placentia, over a pleasant motor drive. Branch River is also a fine salmon river.

Grandy's Brook is another salmon and trout river, possessing a number of salmon pools, namely: Henderson's Old House Pool, George's Rock Pool, Buffett's Pool, Patience Pool, Stewart's Pool, Middle Pool, Deep Rock Pool, Witch-Hazel Pool, Bad Rock Pool and Little Falls. The government's weekly mail and passenger boat plying between St. John's and Port aux Basques accords comfortable means of reaching Grandy's Brook, Burgeo.

There are three splendid salmon pools on Sandy Harbor River, namely: The Overfall Pool, Warm Pool, and Spring Pool. This river is situated about one mile from Prowseton. Good salmon and trout fishing can be had in this river. Reliable guides are Eber Lockyer and Thomas B. Williams of Woody Island.

Burnt Island brook is situated about three miles from the settlement of Burnt Islands, and about fifteen miles from Port aux Basques, which distance is easily traversed in the fishing season by motor boat. From the first of June to the middle of July salmon are very plentiful a short distance from the mouth of the river, after that time the fish move further up.

Grand Bay Brook flows into the sea about 1½ miles from Port aux Basques, and the best means of reaching same is by boat from Port aux Basques. Half hour's walking takes one to the first pool and about two miles further up Head Waters or Spawning Grounds are met with. Scenery along this river is excellent. Partridge, black and shell duck are a little distance further up country.

In the Codroy River section is the Little Codroy and the Big Codroy, both noted for the excellent salmon and trout that abound in their limpid waters. The railway track traverses the side of these rivers for almost the entire length of the stream, very fine trout are also plentiful in this brook. The names of the various salmon and trout pools on Burnt Island Brook are, beginning from the mouth, Penny Ante, Wild Pool, Point Pool, Narrows Pool, Fall Pool, Doctor Pool, Great Salmon Pool, Island Pool and Long Eddy. The following are reliable guides: Frank Kelly, Abram Keeping and George Keeping all of Burnt Islands.

Four Famous Rivers

In the Robinson River Section there are four famous rivers. They are Fischell's, Robinson's, Barachoix and Crabbes. Either one of those rivers can be reached in about twenty minutes run by rail from Robinson's Station. Both salmon and trout ascend Robinson's River the latter part of May and good fishing can be had until the first of September. When the fish are ascending the rivers, there is very little to choose between the different pools. Some of the finest of these can be reached in about half hour's walk from the railway. Detraining at the Railway Bridge, one can be fishing in five minutes, as a splendid pool is nearby.

This river can be traverser by canoe a distance of twenty miles up, with splendid fishing all the way.

Tourists or sportsmen detraining at Curling, or at the paper town of Corner Brook, can reach the famous Humber, or its many tributaries such as Hughes' Brook and Cook's Brook, by motor launch in about forty minutes. These rivers are famous for salmon and trout, and are so well known to tourists that little need be said of them.

Blomidon Brook, about nine miles by motor boat, is noted for the splendid trout that abounds there. About four hours steaming takes one to Crabbes Brook, if one decides to go by that route, where excellent salmon and trout fishing can be obtained.

Goose Arm Brook is another famous salmon and trout resort, which can also be reached by motor boat. The camping grounds and scenery here are excellent. Bonne Bay, one of nature's beauty spots, is next reached offering many attractions in the way of sport and good fishing. If one desires to proceed further North along the coast, Western Brook, about five miles West of St. Paul's, is another home for good trout and salmon. The best way to reach this river is by way of the mail boat landing at Cow Head and from there by motor boat.

Fine Salmon on the Exploits

The Exploits River has some very fine salmon pools, notably the Great Rattling, where salmon are very plentiful, particularly during the month of July.

Gander River Pools

Detraining at Glenwood there are a number of excellent pools found within a short distance of the railroad, where both trout and salmon abound. Some of the more prominent pools are: Joe Batts, Nnt Brook Rattles, Bridges Angles, Burnt Wood Rattles, and Third Pond Rattles.

On the Lower Gander the first salmon pool is known as The First Rattling, next is the Second Rattling, the third pool is near the First Pond which is six miles from the bottom of Gander Bay. Going up the river from First Pond one comes to Forsey's Angle at the head of the Second Pond, then to the mouth of Joe Batt's River.

Some Brief and Interesting Facts About Newfoundland

Newfoundland is the oldest of Britain's colonial possessions.

Newfoundland is the tenth largest island of the seven seas.

The island is shaped like an irregular triangle, each side of which is about three hundred and seventeen miles long.

The coastline of Newfoundland, which is very irregular and very deeply indented, has an extent of over six thousand miles.

The area of Newfoundland is about forty-two thousand square miles.

From Cape Norman, the northernmost point of Newfoundland, to Labrador, across the Straits of Belle Isle, is a distance of ten miles.

From Port aux Basques, western treminus of the Newfoundland cross-country railway, across Cabot Strait to the Nova Scotian coast, is a distance of less than a hundred miles.

From St. John's to Cape Clear, on the Irish Coast, is a distance of 1,640 miles.

St. John's is about midway between Liverpool and New York.

More than a third of the area of Newfoundland is covered by lakes and ponds. The largest are: Grand Lake, 56 miles long and a paradise for tourists, anglers and hunters; Red Indian Lake, 37 miles long; Gander Lake, 33 miles long.

Beauty Spot on Famous Humber

Shellbird Island, Humber River.

$5 will bring you The Financial Post for the next twelve months.

----------Use This Coupon to Subscribe----------

THE FINANCIAL POST,
143 University Avenue,
Toronto.

You may send me The Financial Post for one year (52 issues).

☐ I enclose $5.
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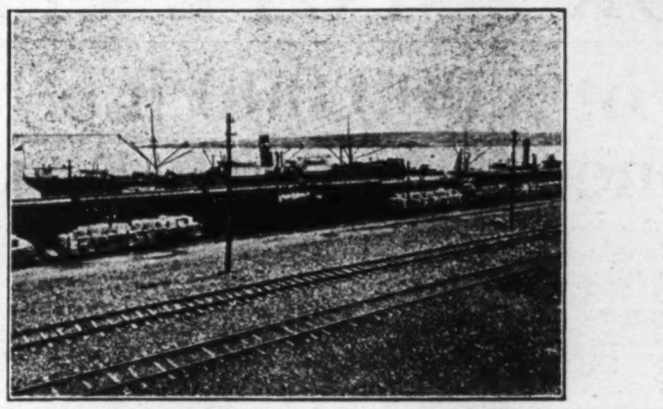


Boats loading newsprint in Newfoundland for world markets.

NEWFOUNDLAND HAS BIG PULP AND PAPER DEVELOPMENTS

(Continued from page 19)

So many rumors and counter rumors are current as to the conditions of the Corner Brook negotiations, that it is difficult to get anything like a correct statement, and the government and the company have maintained a policy of strict silence. These suggestions, however approximate the conditions on which the transfer was first suggested.

Refused First Offers

Against them Premier Munroe definitely set his face, fully realizing, that far more than the future of his own government was at stake on this issue. The acceptance of such terms would have been to sacrifice to a private company, the cream of the country's resources.

Fortunately, the position of the government was materially strengthened by the entrance of the Royal Securities Corporation interests into the negotiations. While no definite offer was made by this group, the government was given to understand that they would be ready to take over and operate Corner Brook plant as a going concern, relieving the government of the more rigorous terms suggested by the International Paper Company.

Have Made Better Deal

Recently, Premier Munroe made a statement in the House of Assembly to the effect that negotiations were nearing an issue. While no definite information is available as to what the actual terms of such an agreement may be, it is generally conceded that Corner Brook will go to the International Paper Company, though on terms far other than those originally suggested. For one thing the concessions in Labrador, it is understood, have been definitely eliminated, and the agreement in regard to financial concessions in Newfoundland itself, are a great deal more favorable than, at first, seemed possible. It is believed too, that the final agreement will provide for the development of the Gander River project within the course of the next five years.

As it stands then, unless the actual pronouncement turns out to be less favorable than is generally anticipated, the Government of Newfoundland will have protected itself against the necessity of meeting the obligation under its bond agreement, and will, at the same time, have made a deal that will be in no sense disastrous, and the disadvantages of which may be offset by an aggressive development of the Corner Brook project, to a future high production, which one well informed authority has placed at a possible 2,000 tons a day production within ten years, and a power production of the full quarter million horse power.

On the other hand, the International Paper Company, if, as is confidently believed, they conclude the deal, will undoubtedly have secured a very valuable and extensive property, at a very advantageous price, that under sound economic management may well be a veritable gold mine. The chief losers would appear to be the Armstrong and Whitworth Company, who will face a substantial money loss, and the Reid Newfoundland Company, who will lose at least the cumulative value of the long years of development effort they have put into this project. On the other hand, if the Gander River project goes through under this deal, they will be able to recoup any losses they have sustained, by releasing their vast forest and power holdings in and about the Gander River site, where approximately 2,000,000 acres are available, and where with this resource, and much more that may come the way of the operating company, it is possible to forecast an 800 to 1,000-ton mill.

It would seem then that the pulp and paper industry in Newfoundland has passed through a period of sharp crisis, and has succeeded in weathering the storm in at least a fairly satisfactory manner, and that the future of this great industry is definitely assured.

Hudson's Bay Company Has Cold Storage Plant

The Hudson's Bay Company, Atlantic Fisheries Department is operating an extensive Cold Storage plant, that is designed on the most modern lines. Extensive experiments are now being made to determine whether it is economically feasible to ship frozen fish, more especially the well-known Newfoundland salmon to the old land. In this regard this old company is again pioneering a new venture that should be of inestimable value to the colony.

Newfoundland Personalities

Who's Who, in and from Newfoundland is an attractively bound volume that gives a complete and exhaustive account of notable and less notable figures, now resident in Newfoundland, and others who have left the colony to make a place for themselves elsewhere. As a reference volume, the book is of peculiar value. It also contains much valuable information pertaining to Newfoundland. The book is the work of R. Hibbs, M.H.A.

Investment Service in Newfoundland

Royal Securities Corporation has for several years been identified with the financing of Newfoundland enterprises, including the electric light, power, tramway and telephone systems of the city of St. John's.

Our St. John's office makes available to Newfoundland investors the facilities of an extensive and unusually well equipped organization, which is in a position to supply information, quotations and advice on all types of investment securities.

Enquiries invited.

Royal Securities Corporation
Limited

Board of Trade Building, St. John's, Nfld.

Montreal Toronto Halifax Saint John Quebec
Hamilton Winnipeg Calgary Vancouver
Victoria New York

Serving Newfoundland's Needs in Paints and Oiled Clothing

FOR a period of twenty-five years the Standard Manufacturing Company, Limited, has been serving the needs of Newfoundland with various commodities. Twenty years ago the company added to its business in oiled clothing so much in demand among the sailors and fishermen of the country, a thoroughly modern paint and varnish plant that has been consistently improved with every development of paint-making machinery. The plant is modern in every respect, and the commodity, manufactured from the purest raw materials obtainable anywhere, holds a very high reputation throughout all parts of the Island. No better paint can be secured anywhere in the world than that manufactured by this company that does business in Newfoundland and employs Newfoundland labor.

The
Standard Manufacturing
Company, Limited
St. John's Newfoundland

NEWFOUNDLAND PLAYED BIG PART IN WINNING WAR

Sent Men to France While Thousands Served in Navy

Newfoundland played a big part in the great war as these figures show:

Toal number accepted by The Royal Newfoundland Regiment for service overseas	6,241
Total number serving in Gallipoli	1,178
Total number serving in Belgium	4,949
Killed in action or died as result of active service	1,251
Officers and men wounded	2,314
Enlistments in Newfoundland Forestry Corps	500

These figures take no count of the extensive contribution made to the naval forces of the Empire in this time of need, a branch of the combatant forces that had a peculiar appeal for the Newfoundlander, and for which he was peculiarly adapted. The contribution to this service totalled 2,053 of whom 167 were killed in action and 124 invalided out of the service.

When it is remembered that Newfoundland, inclusive of Labrador, has a population of 262,979, it is easily realized how large a part the Island Dominion played in this struggle for right and justice.

Newfoundland's war expenditures totalled upwards of $16,000,000, or roughly $64 per head of population.

JOB'S AND BOWRING'S TWO VERY OLD FIRMS

One Goes Back to Before Founding of United States as Nation

At least two of the commercial enterprises of St. John's go back into surprisingly distant pasts. Twenty-six years before the United States became an individual nation the present business of Job Brothers and Company, Ltd., was founded.

The original founder was Samuel Bulley, who came to Newfoundland in 1750 and commenced business on the present site of the Southside premises of the company. Twenty-seven years later John Job arrived. These two joined forces in 1782 under the firm name of Bulley and Job. Out of this firm has grown the present business with its vast ramifications.

In 1895 the drygoods stores of Job Brothers and Company were amalgamated with Cambell Macpherson and formed into a company of which Harold Macpherson is president and managing director.

The names of Job and Macpherson, are identified with almost all the interests and benefactions of the colony.

The Bowrings

The firm of Bowring Brothers, Limited, only slightly postdates that of the aforementioned firm. Since 1811 this firm has been continuously engaged in the country's commerce. From St. John's this firm has reached out in various directions and with widely divergent interests until its name is known in virtually every part of the Globe. The firm was incorporated as a limited liability company in 1900 the first Newfoundland firm to be so incorporated. In celebrating the century of their foundation Bowring Park, one of the loveliest sections possessed by any city on the continent was presented to the city. The company also donated the property on which the Y.M.C.A. building stands.

Hickman Business Has Very Wide Ramifications

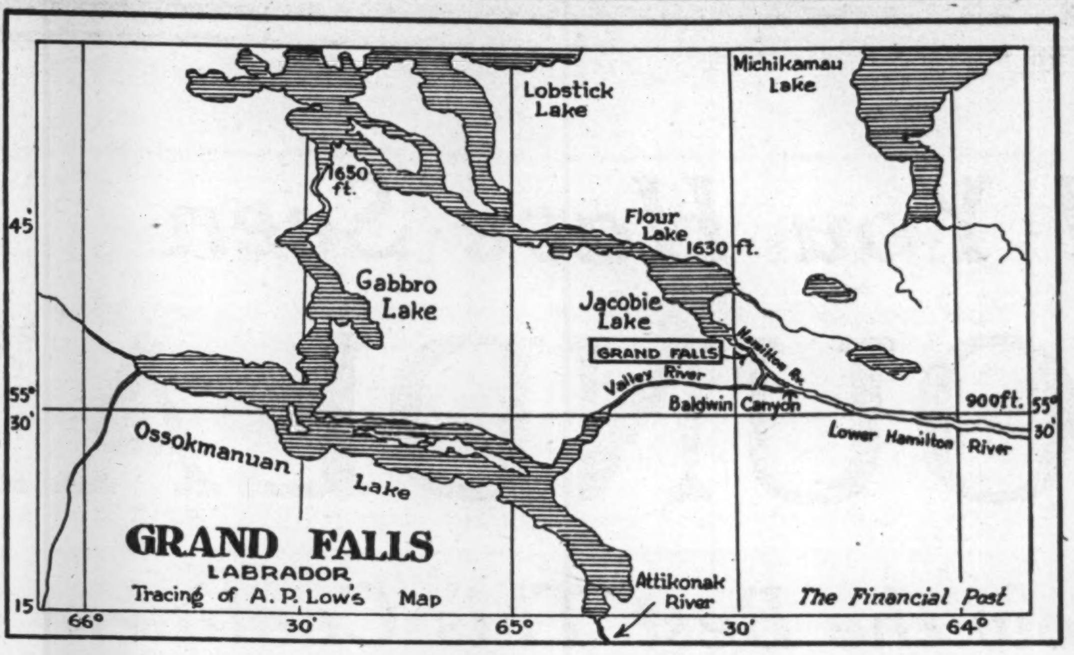
A. E. Hickman Company, Limited, is an oldstanding and very aggressive firm, whose activities include almost every branch of industrial life. They are extensively interested in the fisheries, and have extensive wharves, storehouses and cold storage. They also do a very wide business on commission lines, and are steamship agents, importers of coal, dealers in automobiles and industrial machinery. They are also actively engaged in the insurance business. The president of the company, Hon. Albert E. Hickman, is the leader of the opposition in the present House.

Harvey and Company Date Back to Bermuda Co.

Harvey and Company, Limited, as an individual organization, dates from the dissolution of the old Bermuda Company in 1767, from that date the St. John's branch of the company became an independent firm under the name of Dunscombe and Company. It operated for over half a century, and its successors have occupied the same site and conducted the same business of steamship agents and wholesale importers until to-day. The present president of the company is Sir Joseph Outerbridge.

T. AND M. WINTER

T. and M. Winter, carry on an extensive business as commission and general merchants. They were established in 1878 by Thomas Winter and Mr. (now Sir) M. G. Winter, who is president of the company at this time. The company have a very wide and varied interest that enters almost every department of the country's business and industrial life.



This map of the famous Grand Falls of Labrador indicates the extent of the drop in the river level. The height of the river above sea level is 1,630 ft. above the falls and only 900 feet below.

First Atlantic Cable Landed at Heart's Content, Nfld.

Heart's Content, a town of pleasant homes and fine public buildings looks out on a magnificent harbor. It is the western terminus of the Anglo American Telegraph Company's Atlantic Cable and was the point where the first Atlantic cable was successfully laid by Cyrus Field in the then ocean greyhound The Great Eastern. It is a very old settlement and was taken by the French in 1696. It has now a population of about 1,250. There is good pond fishing and sea trout to be had here and in the vicinity. The run by motor car from St. John's is a delightful one giving the tourist a splendid view of the whole of Conception Bay from the starting point to the finish. A drive of twelve miles across country and the first glimpse of the beautiful Trinity Bay is enjoyed at Heart's Content. Daily train connection is also available.

SAY NORSEMEN FIRST EXPLORED NEWFOUNDLAND

Local Historians Have Interpreted Lief's Voyage

By A. G. HUNTSMAN,
Director of Atlantic Stations, Biological Board of Canada.

Below the level of the sea's surface the continent of North America extends eastward past Newfoundland towards Europe and out into the Atlantic for more than three hundred miles. This submarine land, or "continental shelf" as it is called, ends in a submarine cape, to which the name of Flemish Cap's given, and the top of which is not far below the surface of the sea. This shelf continues with a width of from one to two hundred miles northwestward along the coast of Labrador towards the Arctic and southwestward to and along the coast off the United States. At its margin the bottom drops abruptly to depths of a mile or more to the depth of the bed of the ocean.

What is the significance of this continental shelf and whence has it come? The valleys and the ridges correspond with those to be seen in the adjacent land. The St. Lawrence river is continued by the submarine Laurentian valley or channel which cuts across the Gulf of St. Lawrence, passes through Cabot Strait, and continues to the side of the continent where it connects with the open ocean, and where its bottom is nearly two thousand feet below the surface. Was this shelf originally above the surface and dry land? Many facts support such a view. There is evidence that parts of the coast are still sinking, stumps of trees being found below the present surface level. It is the ocean covering these sunken plateaus and valleys around Newfoundland that interests us now.

First European Call?

It need not be thought surprising that Newfoundland and its fishing banks should have been the part of North America that was first known and exploited by Europeans. Jutting out so far into the Atlantic, they could not be overlooked. The early records are but vague and imperfect. The Norsemen in the ninth century reached Iceland, then Greenland, and still later they crossed to the main part of North America. The best interpretation of their American voyages have been made by W. A. Munn. Helluland with its flat rock and inland snow-covered mountains is at the mouth of the Hamilton Inlet, Labrador. Markland with its trees, its level land, its "wonderstrand", and its Keelness is the Porcupine coast with fifty miles of sand beach some distance south of Hamilton Inlet. Finally, Wineland with its grassy meadows, its vines, its wine berries, and its (comparatively) long days is Pistolet Bay at the northern extremity of Newfoundland, which seemed a land of plenty to those who knew only the bleakness of Iceland and Greenland. From Lief's booths at Pistolet Bay it was possible to go west to the white sands (Blanc Sablon at the inner end of Belle Isle Strait), east and north to Markland, and east and south to "Hop". Here could be met the Eskimo, with their Kayaks, and double paddles, which seemed to revolve when in use. Belle Isle Strait with its strong currents and Belle Isle in the middle of the outer end was the Norsemen's "Stream-firth". But where were the grapes that the Norsemen found that grew not farther north than Massachussetts? The Norsemen speak only of "vinber" or wineberry, that grow in bunches. A species of viburnum, called squashberry in Newfoundland, grows abundantly in Pistolet Bay, and its bunched red juicy berries are still used for wine and jelly. There is no need to take the Norsemen in their primitive vessels twelve hundred miles farther. They lived for awhile on Belle Isle Strait, that is still a highway from Europe to the American Continent, being on the shortest route from the British Isles to Canada.

Then Came Basques

In the sixteenth century after the Cabot voyagers to North America, Newfoundland and its banks became the resort of increasing numbers of Norman, Breton, and Basque fishermen, who carried back rich cargoes of codfish to supply food for the meatless days of religious Europe. Jacques Cartier on his voyage of discovery in 1536 was in known waters sailing north along the east coast of Newfoundland and in through Belle Isle Strait which was thought merely to lead into a bay. That Strait again figured prominently, forming the highway for the discovery of Canada. And still that Strait in spite of its icebergs, its fogs, and its narrowness is when open, almost the exclusive route for traffic between the St. Lawrence and Europe.

Like Newfoundland in general the Strait of Belle Isle still bears in its place-names records of its early occupation by the French, who have for the most part disappeared. There are Quirpon, Pistolet Bay, Belle Isle, Chateau Bay, Point Armour, Forteau Bay L'Anse au Loup, Blanc Sablon and many more. Not a few names are so changed as to be nearly unrecognizable. L'Anse a Midi has become Lanciemitten or Lancy Meadows, and in southern Newfoundland, Baie d'Espoir (Hope Bay) has become Bay Despair.

Newfoundland Light Is Canadian Controlled

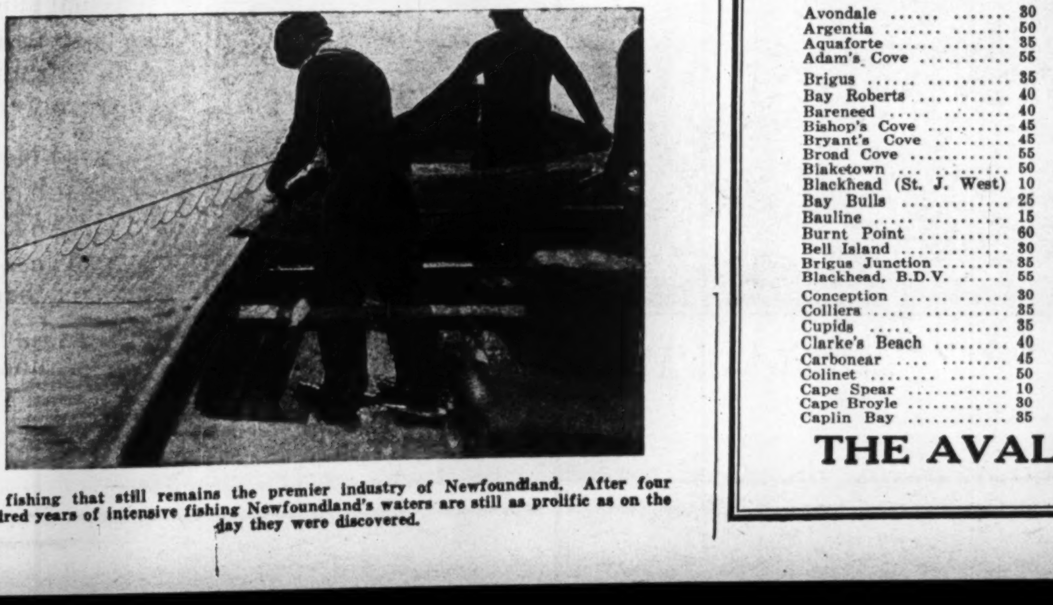
The hydro electric development plant of the Newfoundland Light and Power Company operates the St. John's Street railway, and supplies a good part of the demand for power for industrial and domestic uses. In 1898 the Reid Newfoundland Company acquired the City Lighting Company's steam plant, and immediately installed the forerunner of the present hydro electric plant. This first development represented .200 h.p. In 1924 the Reid Newfoundland Company sold out to the Royal Securities Corporation of Montreal, who added another link to the additions inaugurated by the former company, until the plant now has a capacity of 7,000 h.p. The water for this purpose comes from a drainage area of 53 square miles. The company has another property at Pierre's Brook, that will meet any subsequent demand. The company at present serves 5,600 lighting customers, as well as delivering 3,000 h.p. to various industries in St. John's.

In 1926 the company also modernized the street railway system, taking up the old rails and replacing them with heavier weight. At the same time it put into commission eight modern cars that now give the city a thoroughly adequate service.

Reids Have Newfoundland in Their Blood, 'Tis Said

No mention of Newfoundland would be complete without the mention of the Reid Newfoundland Company, which has been in a large measure responsible for many of the outstanding developments of the country. Sir Robert Reid, the founder, was instrumental in the building and operation of the Newfoundland Railway, then known as the Reid, Newfoundland Railway. The company has interests in and about Newfoundland.

Four Hundred Years Fishing Cod



Cod fishing that still remains the premier industry of Newfoundland. After four hundred years of intensive fishing Newfoundland's waters are still as prolific as on the day they were discovered.

Port Union is Large Centre for Industries

Port Union is the largest industrial centre outside St. John's. Here is located the headquarters of The Fishermen's Protective Union and The Union Trading Company, Newfoundland's biggest co-operative movement. Founded in 1909 by Sir William Ford Coaker, K. B. E., it has grown to be the biggest factor in the commercial life of the country. Here is located the gigantic stores, warehouses, shipping piers, shipbuilding dockyards of the Union Trading Company, the plant of the Union Electric Light and Power Company, and the printing plant of the Fisherman's Advocate newspaper. Operating in connection with the Port Union Plant are some forty co-operative stores. These stores are located in the principal centres of the northern section of the Island. The Union Trading Co. does an enormous export business in codfish and other fishery products and maintains representatives in all the principal European centres.

Excellent partridge shooting and trout fishing may be had a short distance from Port Union and tourists and other pleasure seekers can make arrangements for motor tours to the principal towns nearby. Steamers call regularly coming and going from St. John's. The town is well lighted and has some splendid buildings, chief amongst them being Congress Hall, built on an imposing elevation above the town. Mail and telegraphic communication is up to the minute and the town is fast growing in population. Tourists and all visitors are always welcome at the Union Trading Company premises, where a modern up-to-date plant is daily operating for the packing and marking of codfish for market. It is a not unfrequent sight to see hundreds of fishing vessels laying in port to discharge their cargoes, or see large steamers loading fish cargoes for European ports.

SERVICE TO LABRADOR

There will be a service from St. John's to Hopedale, Labrador. First sailing will take place about June 10th and thereafter fortnightly sailings. After leaving St. John's the boat calls at a port each in Conception Bay, Trinity Bay, Bonavista Bay, and Notre Dame Bay, and from thence proceeds to Battle Harbor, Labrador, direct, afterwards touching at all the principal fishing villages on the Labrador coast.

On two trips during the season; the boat goes farther North to Nain. This port is located about 100 miles beyond Hopedale, and the steamer usually calls there one trip in July and one trip in August.

IN NEWFOUNDLAND

THE Bank of Montreal is represented in Newfoundland by branches located at:

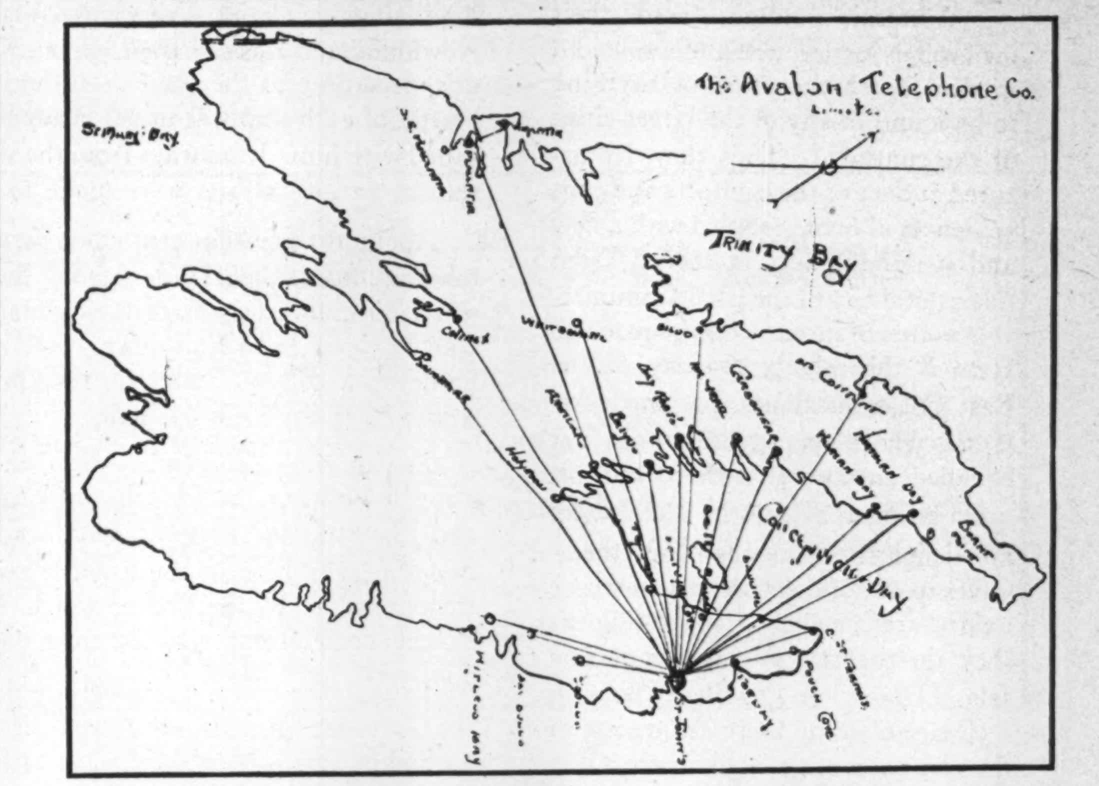
ST. JOHNS
Corner Brook
Grand Falls
Curling
St. Georges

Established in Newfoundland in 1895 the Bank has for over 30 years rendered banking service to residents of the Dominion.

BANK OF MONTREAL
Established 1817

Total Assets in excess of $780,000,000

Head Office
Montreal



A sketch map of the Avalon Peninsula, Newfoundland, showing how The Avalon Telephone Company covers the section.

AN EXTENDING AND DEPENDABLE SERVICE

Seven years ago this company was inaugurated with 900 subscribers in the city of St. John's. Today the same company serves 96 communities with a population of approximately 110,000, and it has upwards of 5,000 subscribers. The sketch map above, and the toll figures appended will explain, more readily than words, how far reaching and economical is the service offered by this company.

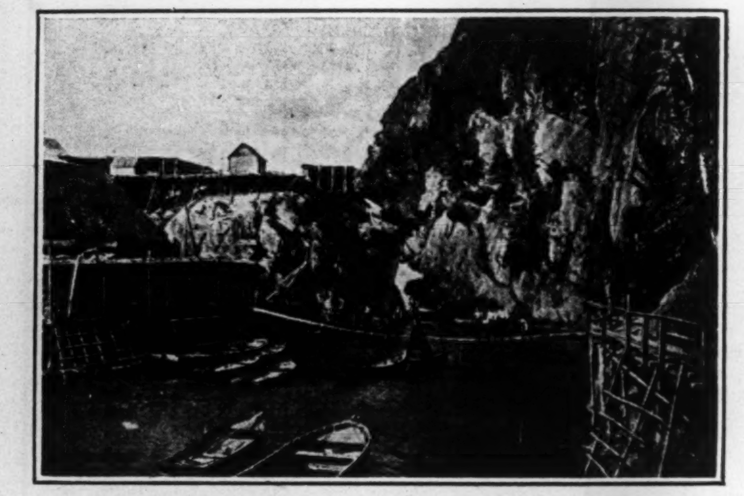
SCHEDULE OF TOLL CHARGES FROM ST. JOHN'S

Avondale	30
Argentia	50
Aquaforte	35
Adam's Cove	55
Brigus	35
Bay Roberts	40
Bareneed	40
Bishop's Cove	45
Bryant's Cove	45
Broad Cove	55
Blaketown	50
Blackhead (St. J. West)	10
Bay Bulls	25
Bauline	15
Burnt Point	60
Bell Island	30
Brigus Junction	35
Blackhead, B.D.V.	55
Conception	30
Colliers	35
Cupids	35
Clarke's Beach	40
Carbonear	45
Colinet	50
Cape Spear	10
Cape Broyle	30
Caplin Bay	35
Cape St. Francis	25
Coley's Point	40
Cochranedale	40
Chamberlain's	20
Codner	25
Donovan's	10
Dildo	50
Freshwater (Carbonear Dist.)	45
Fox Harbour	50
Ferryland	35
Fermeuse	40
Flatrock, St. John's East	15
Foxtrap	20
Goulds, Southern Shore	10
Georgetown	35
Goulds, Brigus	40
Horse Cove	20
Holyrood	25
Harbour Main	30
Harbour Grace	45
Heart's Content	50
Halfway House Salmonier	40
Halfway House Heart's Content	50
Kelligrews	25
Kingstown	55
LaManche (Southern Shr.)	30
Logy Bay	10
Long Pond	20
Manuels	20
Marysvale	35
Marquise	50
Maddox Cove	10
Mobile	25
Middle Cove	10
Maher's	50
Middle Bight	25
Northern Bay	60
New Harbour	45
North River	40
Ochre Pit Cove	60
Outer Cove	10
Ocean Pond	50
Paradise	20
Perry's Cove	50
Placentia	50
Placentia South East	50
Placentia Junction	50
Petty Harbour	10
Pouch Cove	20
Portugal Cove	10
Port de Grave	45
Renews	40
Riverdale	25
Shearstown	40
Spaniard's Bay	40
Salmon Cove, Bay deVerde	50
Silver Cliff	50
South East Arm Placentia	50
Salmonier	50
St. Philips'	15
St. Thomas	20
Small Point	55
South River	40
Seal Cove	25
Topsail	20
Tor's Cove	25
Torbay	10
Tilton	45
Upper Gullies	25
Upper Island Cove	45
Victoria	45
Western Bay	55
Whitbourne	50
Witless Bay	25

THE AVALON TELEPHONE COMPANY, LTD
HEAD OFFICE : ST. JOHN'S, NEWFOUNDLAND

Until You Have Seen NEWFOUNDLAND

You do not Know the Best This Continent Has to Offer in Scenic Beauties, in Delightful Vacation Surroundings and in Real Sport



The Pass, La Manche, One of Newfoundland's Quaint Beauty Spots.

A Land of New and Marvelous Beauty with Every Comfort for the Visitor

THE Visitor to St. John's, standing on the site where the "Fishing Admirals" administered their own rough justice, will find a splendid modern hotel, the equal of anything to be found in any of the larger cities of the continent. Thus they are assured at once of the comforts and conveniences of home coupled with a new and striking beauty of scene. From this capital city of the island innumerable points of interest can be reached. Here is the mighty majesty of the East Coast that faces the North Atlantic, whose rugged beauty is not equalled anywhere on the continent.

On all the coasts of the island there are delightful spots that lend themselves to out of door life, places whose names are a delight, suggesting as they do the stormy history of this Island Dominion. For those who wish a change of scene there are resorts at the very gates of the wild, where a step will take them into the depths of great forests, where all manner of game abounds, or by roaring rivers and flickering streams that teem with fish. There is the majesty of great rivers to stir the enthusiasm of the canoeist, the Humber, the Codroy, the Exploits that drain the great lakes of the interior. There are waterfalls, majestic in their grandeur. There are new and striking sections, many of them that can be reached by automobile, or longer trips by boat to some of the quaint hamlets that cling to steep hillsides on the fiord-like bays and inlets.

A Glimpse at Newfoundland's Romantic History

IT WAS well over four hundred years ago that John Cabot discovered the Island of Newfoundland and sailed home again to be rewarded by a grateful king with a gift of £10 for the accomplishment. From that time began the history of the Island, that was at all times vigorous and romantic and often stormy.

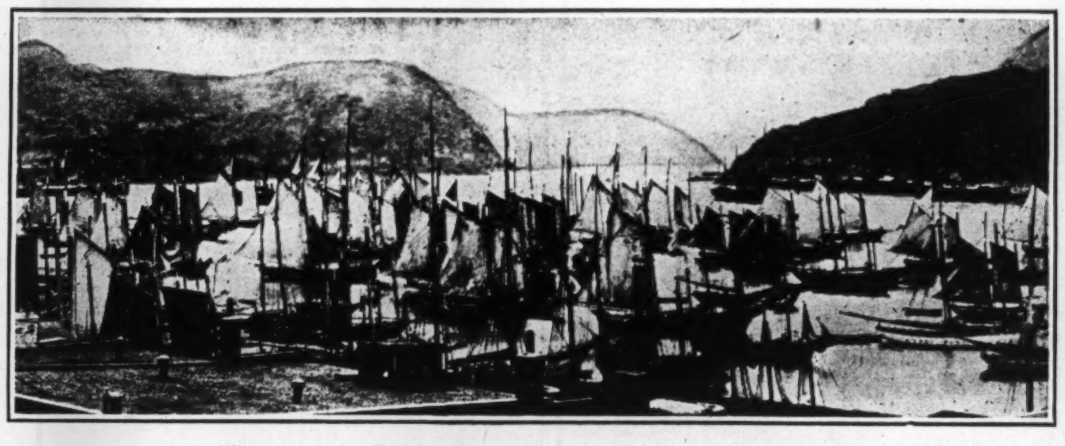
It is probable that it was these voyagers who first spread the story of the wealth of its fisheries, for it was not so very long after that venturesome fishermen from Western Europe were swarming to its shores, English and Irish and French, Basques, Portuguese and Spanish.

In the early days Newfoundland was governed by the strangest form of justice. Under the "Fishing Admirals" Newfoundland led its first stormy life. The first English fishing captain to reach the island became Admiral for the year, the second, vice-admiral, and the third rear admiral. These officials, administered a rough and ready justice and controlled, as far as there was any control, the fishing fleets that even in the early days reached two or three hundred ships. These "Merchant Venturers" lived hard and rugged lives. Newfoundland was not their home. Newfoundland was to be the home of no one, according to the English authorities. No one was to settle there, and the master of each ship was under heavy bond, to bring back the seamen that had sailed with him. Runaways from the ships did, however, settle in the island, though various efforts were made to root them out.

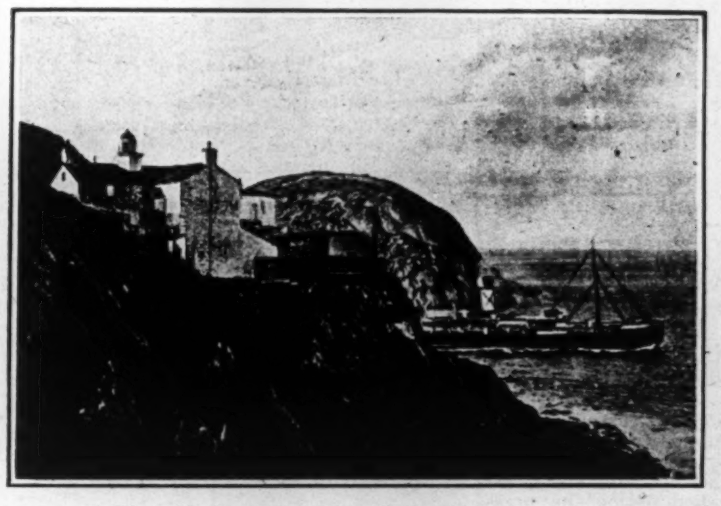
About 1610 certain gentlemen secured grants permitting them to settle certain sections of the island. Among the first of these was Captain John Mason, who later founded the state of New Hampshire. Some years later, Sir George Calvert, later Lord Baltimore, received a Royal grant, and spent two years in founding a colony. Later he relinquished the idea and settled in Maryland, whose chief city bears his name.

For almost a half century after this the Island was the scene of constant struggle between the French and English, who each shared in its possession, and Placentia the French capital and St. John's the English were constantly under attack. In 1796 the English gained complete control save for the fishing rights retained by the French which, existed until a few years ago, when exchange negotiations resulted in a discontinuance.

In 1729 the first naval governor was appointed, but it was not until 1818 that the Governor spent the entire year in the Island. In 1832 a legislature, with limited powers was established to assist the Governor in his work, but it was not until 1854 that full autonomy was granted.



A Glimpse of the Fishing Fleet Finding a Safe Anchorage in the Land-Locked Harbor of St. John's.



A Liner Nosing Out to Sea, Through the Picturesque Narrows at St. John's.

A Place for Summer Homes that Breathe of Rest and Health

EVERYWHERE about the Island are sections that seem made for Summer homes. Great Bays with their sandy beaches, washed by salt water, the inlets of great rivers that offers home sites to suit the most exacting taste. Here land can be secured at nominal cost, that will give a summer home of health and well-being and dignity with the surrounding sea to provide coolness and comfort, and novelty of scene, and the forest about, the tang of a vigorous out-door life.

Many travellers who have passed Newfoundland on a trip to Europe, have perhaps gained an entirely wrong impression. They have passed through fogs, and think of fog as Newfoundland's natural atmosphere, whereas, while fog lies about, only at the rarest of rare intervals does it touch the land. As a Summer climate Newfoundland approaches the ideal. Extremes of heat are unknown, the temperature rarely exceeding 70 degrees, while, from June to October, there is almost perpetual sunshine. Even in Winter, it is not a rigorous climate, as some believe, being milder than Canada, with zero weather a rarety.

Indeed Newfoundland has advantages that have to be seen to be appreciated. Anyone who is seeking the unusual in a summer outing cannot do better than make the trip to Newfoundland, and see for himself, for a visit will undoubtedly convince more surely than a multitude of words.

Unexcelled Hunting and Fishing

FOR the fisherman and sportsman there are few places remaining that can compare with Newfoundland in the breadth of sport offered to the visitor in almost any section of the island. There is hardly a stream that does not teem with fish, splendid sporting fish, brook trout in the smaller streams, and, in those that empty into the ocean, sea trout and salmon. These great fishing opportunities are becoming daily better known, especially as the fishing in some of the well-known streams of Canada and the United States seems to be giving out. There is no dearth of fishing in Newfoundland. Drop a line almost anywhere and you are sure to be rewarded. For the still more venturesome there is the ocean fishing, and expert fishermen are always available to assist the visitor.

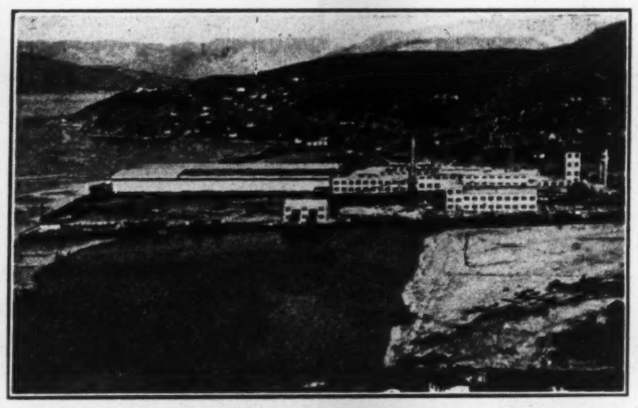
In hunting Newfoundland is almost as favored as in its fishing. The whole centre of the island is one great game preserve, so that game is plentiful and varied. Caribou are innumerable, and while moose are protected, there are beaver, fox, lynx, martin, otter, muskrats, rabbits and hares in abundance. There are game birds in plenty, too, willow grouse, ptarmigan, snipe, ducks and geese. The game laws of Newfoundland are very liberal to the sportsman, and aimed to give him as little difficulty and as few restraints as is possible, consistent with sound measures of preservation.

The Ancient City of St. John's that is Full of Historic Interest.

A Pleasant and Healthful Journey to a New Country

THOUGH Newfoundland has not to the present been on the highway of vacationist traffic, let no one imagine that it is an uncomfortable or arduous trip. Splendid modern steamers sailing from New York, Boston, Halifax and Liverpool offer every comfort and refinement of travel that can be found anywhere. The trip itself is something to be looked back to with pleasure. During the past year or two several of the lines operating into St. John's have added new boats to their fleets that now make them the equal of anything.

For those whom an extensive water trip deters, Newfoundland can be reached by way of North Sydney, Cape Breton, with a virtual assurance of calm water. Landing at Port Aux Basque they have the interesting trans-island trip on the Government owned Reid-Newfoundland Railway, which is a trip to be remembered, giving, as it does, a wonderful picture of the rugged beauty of the island.



Newfoundland is Already One of the World's Great Pulp and Paper Sources. One of the immense paper plants.

THE HUMBER RIVER.

Fullest Information relative to Business, Industrial or Mining Opportunities and Vacation Resorts will be gladly furnished.

Government Offices - St. John's, Nfld.

Newfoundland Offers Wide Opportunities

APART from the purely holiday aspect of the case, Newfoundland is a new land, in a development sense, where opportunities are in the making. There are many places where interested capital could make a rich return, and, combined with the finest of Summer outings, there is this to be considered, that this country may open up a new field of opportunity for you, or a new market. For those who can use the great natural resources of the country the opportunities are golden. The fishing industry is ready to develop in larger and wider lines, canneries, cold storage, development of byproducts. The rich mineral deposits of the country are awaiting systematic development. The pulp and paper industry is leaping forward with great strides, encouraged by the wealth of hydro electric power, which is one of the great assets of the country. It will be worth your while to consider these opportunities, and those offered by the communities that are growing up about these great industries, are well worthy of a careful and interested consideration.

Labrador--A Great New Land

NOW that Labrador has been definitely assured to Newfoundland, and the uncertainty that has hedged it about for many years has been ended, the day of its development is at hand. Just how rich a future is before it, no one can definitely say, but it is known that this future is generous. Its fabulous resources of power, Grand Falls alone having a far greater potentiality than Niagara, assures that future. Combined with that are vast resources of pulpwood, so that the future points to Labrador being a great pulp and paper centre of the near future. To anyone interested in this great industry or its development, there is an opportunity offering to visit this land by way of steamer from St. John's, and to combine a novel and delightful outing, with an occasion of possible generous profit.

"The Norway of America"--Offers You Scenes Whose Beauty will Catch at Your Breath--Grandeur that will Hold You Spellbound--Summer Places of Enchantment and Sport that is Unequalled and Unspoiled.

SEE NEWFOUNDLAND FIRST

BEST MOTOR CARS REPRESENTED ON ISLAND REGISTRY

Despite Problem of Road Building, There Are Many Fine Cars

One thing that will immediately strike the visitor to Newfoundland is the general high quality of the motor vehicles in use in the island. It must be remembered that the extensive distances and relatively sparse population has made road building a peculiar problem. Virtually all the roads that are suitable for motor vehicles are in the Avalon Peninsula, radiating from St. John's as a centre. This relatively small section of the island contains about 110,000 of the island's 260,000 population. The balance of the population is mainly widely distributed along the 3,500 miles of coastline, where transportation is largely by means of coastal steamers operated by the Government, and along the line of the Newfoundland Railway. It is obvious that, under these conditions, roads in the outlying sections must be few and of somewhat doubtful character. In the Avalon Peninsula, however, the roads are good, and in St. John's itself, one will see perhaps as large a proportion of cars as could be found in any city of its size anywhere, and the price class of these cars will at once catch the attention of any visitor. A general survey of the motor vehicles registered in Newfoundland up to July 1st of this year will be of some interest. It is as follows:

1927 MOTOR VEHICLES

Name	Total		
Austin	2	McLaughlin	1
Auburn	2	Marmon	1
Buick	129	Maxwell	10
Brisco	7	Morris-Oxford	5
Calthorpe	1	Morris-Cowley	1
Chalmers	19	Moon	3
Chandler	4	Nash	21
Chevrolet	247	National	1
Chrysler	55	Oakland	3
Citroen	1	Oldsmobile	11
Cleveland	1	Overland	66
Clyno	1	Packard	2
Cole	1	Paige	18
Cole-Aero	1	Pontiac	7
Daimler	1	Rolls-Royce	2
Dodge	63	Reo	2
Durant	11	Rugby	55
Essex	10	Saxon	3
Erskine	3	Scripps-Booth	1
Ford	250	Standard	1
Franklin	5	Stanley	1
Falcon-Knight	9	Star	9
Grant	1	Studebaker	98
Gray	1	Stutz	4
Hudson	25	Stutz, H. C.	1
Hupmobile	4	Sunbeam	2
Jewett	18	Stearns-Knight	1
Jordan	1	Trumbell	1
Lexington	1	Willys-Knight	31
		Wills-Ste. Claire	1

1927 TRUCKS

Name	Total		
Ford	87	Agason	1
Chevrolet	17	Graham Bros.	1
Dodge	4	Nemo	1
Mack	5	Albion	1
Bethlehem	1	Nash-Quad	1
		Austin-Pups	2
International	5	English Roll	2
Studebaker	2	White	2
Maxwell	1	Fire Engines	4
Republic	1	Reo	1
Roadking	2		

BUSES

Rugby	1	Crossley	1
Dodge	1	Hulbert	1
Mack	2	Motor cycles, various makes	59
Chevrolet	1		

BRITISH CLOTHING COMPANY

As well as a general clothing manufacturing business, British Clothing Company carries on an extensive and successful cut, make and trim business, that is of marked value to the community, and is a considerable factor in the clothing manufacturing of the Island.

The first post office was established in Newfoundland in 1805.

CLOTHING FACTORY

Newfoundland's
Biggest Departmental Store

Importers of
Dry Goods, Millinery, Mantles, Readymades, Smallwares, Stationery, Toilet Goods, Furniture, Glassware, Crockeryware, Wallpaper, Groceries, Men's and Boys' Furnishings, Footwear, etc.

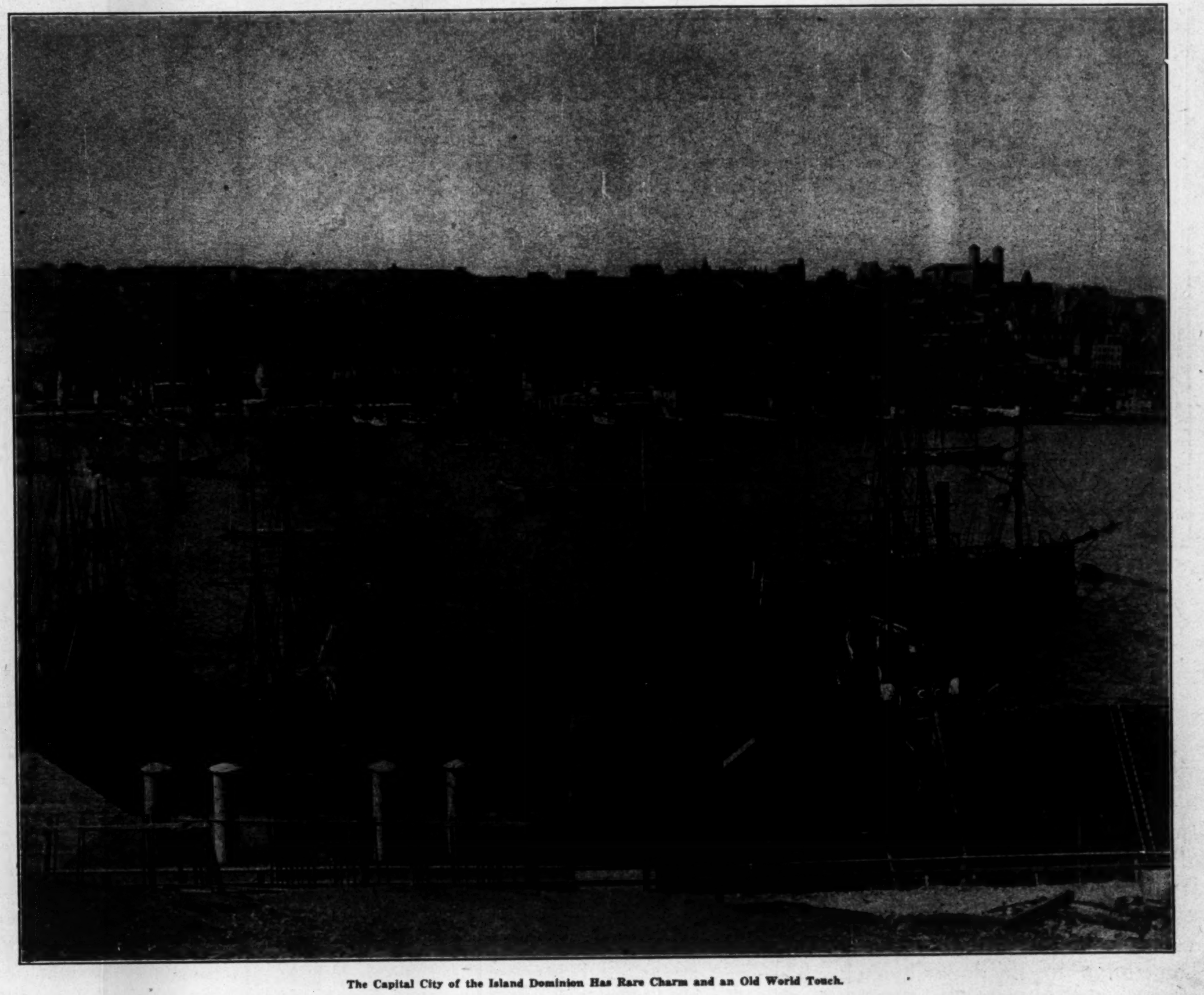
Agents for
Cleveland and Buddy Boots, Victrolas and Victor Records, Kayser Silk Underwear, Hosiery and Gloves, Nemo Corsets, Burpee's Seeds, Cook's Soaps, John Bell's Medicines, Staunton Wallpapers, Butterick Patterns.

Manufacturers of
Ready-to-wear Clothing for Men and Boys, Furniture, Controllers of The Riverside Woolen Mills, Ltd., Newfoundland, who manufacture Wool Blankets, Camp Blankets, Fingering Wool, Yarns, Tweeds, Homespuns, etc.

Our Associate Company
Martin Royal Stores Hardware Co.
Limited
Can supply your every need in Sporting Goods—Guns, Ammunition, Game Bags, Gun Covers, Trout and Salmon Rods, Landing Nets, Trout and Salmon Flies, Lines, Casts, Fly Books, etc., etc.

The Royal Stores, Ltd
THE HOUSE FOR VALUE
Water and Duckworth Streets
ST. JOHN'S, NEWFOUNDLAND

View of Famous Harbor and City of St. John's



The Capital City of the Island Dominion Has Rare Charm and an Old World Touch.

To Bring Back Newfoundland Dog

The Newfoundland dog, once the playmate of every boy, and long made famous by its pictured presentation on the stamps of Newfoundland, has been dying out. Definite efforts are now being made to re-establish this remarkable breed, that has a firm place in every Newfoundlander's heart.

To Bring Newfoundland Dog Back to Its Former Glory

It is one of those curious facts that are difficult to explain that the Newfoundland dog, once the pet of every second household has gradually been disappearing from the dog world, so that now it is an unusual thing to see one of these splendid animals.

Harold Macpherson, president and managing-director of the Royal Stores, St. John's, an ardent lover of the breed and a succesful breeder of cattle, has undertaken to do something toward re-establishing the Newfoundland dog in popular favor, by establishing a pure bred stock. In his beautiful summer residence at Westerland near St. John's one will see this splendid dog with his dignified deportment and gentle ways, at his very best.

What is known as the Newfoundland dog is really a cross between the Pyrenees sheep dog brought to Newfoundland by Biscay fisherman between 1502 and 1662. These dogs were moderately large with flat coats of a creamy-white color, and with woolly undercoats that made them capable of resisting the vigorous climate of the Pyrenees.

This made them also suitable for the climate of their adopted country.

On the other side the Newfoundland dog was derived from the curly-coated retrievers, black dogs of medium size that were brought to the Island by the earliest English settlers. Out of the cross between these two types has been established the Newfoundland dog.

Population Shows Slow, Steady Growth

Newfoundland, under the census of 1921, had a total population (with Labrador) of 262,979. Total population in 1911 was 242,619. Increase in ten years was 20,360.

This was mostly natural increase; there was very little immigration.

The present population includes 132,260 males and 127,098 females or 961 females to every 1,000 males. Over 98 per cent. of the population is native-born.

Parker Munroe Crowd Out American Shoe

The success of this company in the manufacture of MacKay and Goodyear stitch shoes, has eliminated about 50 per cent. of their purchases of American shoes. Besides its manufacturing plant that turns out some 500 pairs of shoes a day of all types the company operates three retail stores in St. John's and one at Grand Falls. The success of their manufacturing program has enabled them to substitute a Newfoundland made product for the American, which aids in giving employment to Newfoundlanders.

Newfoundland Hotel
ST. JOHN'S, NEWFOUNDLAND
200 Rooms and Baths
Fireproof Throughout
"A Bit of the Old World in the New"

Five Good Investments

THE FINANCIAL POST
A weekly publication of 20 years standing, giving unbiased information on Canadian investments and general business conditions. Price $5.00 per year.

THE FINANCIAL POST SURVEY
A 250-page volume of accurate statistical data on Canadian development in Trade, Industry, Agriculture, Transportation, Mining, etc.; published annually. Price $1.00.

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The most complete work of its kind ever published; containing information on every mining camp, every producing and developing mine in Canada; published annually. Price $1.00.

THE FINANCIAL POST RECORD OF PROSPECTUSES VOL. II
A leather-trimmed volume of prospectuses issued on new financing during the last six months of 1926—record of dividends declared—of bonds maturing for next five years—annual reports; published semi-annually. Price $5.00.
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THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES
A detailed survey of each individual company considering markets, conditions affecting these, developments during the year, officers and directors, capitalization, dividends, funded indebtedness and an income and surplus account statement covering a period of years. Price $1.00 per copy.

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Newfoundland Railway Carries Out Improvements

During the course of the past year or two very extensive improvements in equipment and in the road department have been made in the Government Railway.

Of first importance is the substitution of 70 pound English rails for those formerly in use on certain sections of the line. The first section to be relaid was that between St. John's and Clarenville, approximately one hundred and thirty three miles.

Re-Ballast Tracks

Other sections of track will be or have been similarly reconstructed. Extensive re-ballasting operations have also been under way throughout the system. While this has entailed a materially increased capital outlay, it has resulted in a considerable reduction in the cost of operation.

The heavier rails have also permitted a faster time schedule across the Island from Port Aux Basques, is so comfortable the consequent advantage of travellers, while the improved road bed has added to the travelling comfort. Other rolling stock equipment has also been added to take care of the growing traffic. So great has this extra burden of traffic become that the railway has found it neçessary to add another express to make that run.

New Steamer On

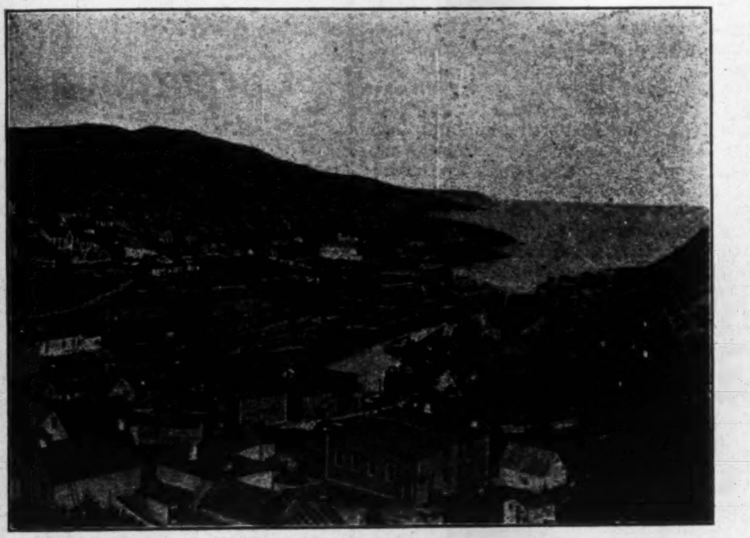
The new steamer "Caribou," recently put in commission between North Sydney and Port Aux Basques, is so comfortable and commodious that it has increased the passenger traffic by that route to a notable degree, while it has been a considerable factor in speeding up the freight traffic.

Under the new conditions, the trip across the island is made in materially faster time, and with greatly increased comfort.

CLOTHING DEPARTMENT

In addition to their other extensive interests the Royal Stores Limited do a sound business in the manufacturing of clothing, both for their own stores and for the general trade. It is one of the factors in making the clothing manufacturing business an important phase of the Island's industrial life.

Give Newfoundland Its Charm



Innumerable inlets dot the coastline of Newfoundland, and every inlet has its settlement like this, differing only in size. It is such scenes that give Newfoundland its old-world charm.

Where Sportsmen Find Shooting and Fishing

A glimpse of some of the wonderful lake scenery. The La Manche Lakes on the Trepassey Branch of the Newfoundland Railway. The section, which is within easy reach of St. John's is noted for its partridge shooting, while there is splendid salmon fishing in the vicinity.

Bring Your Golf Clubs to Newfoundland

The golf enthusiast will find a new delight in playing the beautiful Bally Haly Golf Club course. The club is only a few minutes drive from the centre of St. John's, and the directorate of the club very generously offer the fullest playing privileges over the course for a very minor green fee charge. The course is beautifully kept and offers new and interesting hazards for the golfer, while its scenic beauties, and especially the view from the ninth tee are not likely to be soon forgotten.

White Clothing Co. Are Large Manufacturers

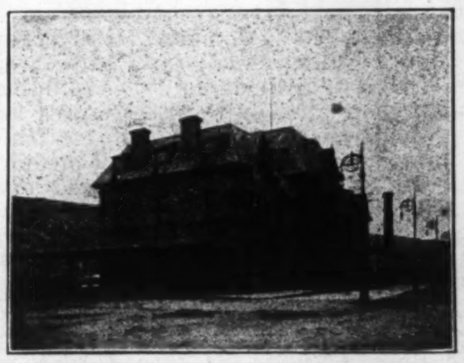
It is estimated that the clothing manufacturing plants of Newfoundland do a business of three quarters of a million in the year. Of this total the White Clothing Company does its fair share. It specializes in the manufacture of men's and boys' ready made clothing. It does, as well, a certain amount of custom tailoring, but it has not particularly featured this department of the business, devoting itself more to serving the general trade. Its lines include also overalls, shirts and mackinaws. The products of the company are distributed throughout the island, and its plant is equipped with modern machinery for the production of clothing. The company carries considerable stocks to meet the requirements of its customers, who are dealt with through wholesale channels though the company maintains its own staff of travellers. English woollens and linings are used while its cotton goods are secured from the United States.

Carbonear is Pretty Town Located on Conception Bay

Carbonear is an unusually prepossessing town with a great many attractions for the tourist. It has a fine harbor, modern private residences and up-to-date business premises. An ideal spot to spend a week affording as it does to the tourist all kinds of fishing and sightseeing. On Carbonear Island are to be found remains of forts erected several times to repel the attacks of the French. In 1696, 200 men of Carbonear successfully defended the island against D'Iberville and it was the only place in the Island that the French failed to take. Carbonear was also the scene of the early excursions of Gosse, the celebrated naturalist. It is but four miles distant from Harbor Grace. Good roads are to be found here and driving is pleasant as the route covers a country open to the eye for miles around. Excellent hotel accommodations are to be had and every possible comfort and attention is given patrons.

MAKE TUBS, BOXES

The Newfoundland Furniture and Moulding Company is heir to a name that does not altogether represent the character of its operations. Originally started as a furniture factory, its later and more profitable development has been in the manufacture of butter tubs and butter boxes. It supplies the tubs and boxes used by The Newfoundland Butter Company, Harvey's Butterine Factory and the Brehm Manufacturing Company. It employs an average staff of forty odd throughout the year.



Railway Terminal

The St. John's terminal station of the Newfoundland Railway, that has now upwards of a thousand miles of track on the Island, and is aggressively pushing further extensions to meet the growing needs.

May Take Car Into Newfoundland Cheaply

Motor vehicles, owned by tourists and registered in the country of which the owner is a resident, are admitted without duty upon payment of a registration fee of five dollars. This fee allows three months operation of car in Newfoundland, but upon application to the Highroad Commission this period may be extended a further two months.

Imperial Tobacco Has Splendid Plant

The Imperial Tobacco Company has a splendid plant located in St. John's, from where it serves the interests of Newfoundland and Labrador. The controlling interest in the company is the British American Tobacco Company, and it is a striking fact that upwards of a third of the shares of the company are owned locally.

The company operates entirely of the best grades of American tobacco, and it produces a complete line of tobaccos and cigarettes. It does a very extensive business in these commodities, both in the Island of Newfoundland itself and in Labrador, that during a certain season of the year has a large population, drawn there by the fisheries, as well as the stable population of the section.

The plant of the company is thoroughly modern in every respect, and employs some 140 operators.

The first recorded services of the Roman Catholic Church in Newfoundland were held at Ferryland, then Baltimore's plantation, in 1627.

The first train ran across the country. St. John's to Port aux Basques, in 1898.

Power for Transportation, Industrial and Household Requirements

THE Hydro Electric plant of the Newfoundland Light and Power Company, Limited, supplies the major part of the requirements of the city of St. John's for light and heat, energy for industrial and domestic requirements and for transportation needs. The company distributes 3,000 horse power to St. John's various industries. It supplies the city's street lighting requirements, it operates the city's street car service, and it serves close to six thousand domestic customers.

This company, in succeeding other existing plants, has a long record of service. In 1898 the Reid Newfoundland Company bought out the City Lighting Company that operated a steam plant, and immediately began the erection of a hydro electric power plant at Petty Harbor. The original plant had some 1,200 h.p. capacity. In 1921 this plant was found inadequate and was replaced by larger generators and turbines with 2,100 h.p. each.

In 1924 the Reid Newfoundland Company sold out to the Royal Securities Corporation of Montreal, who organized the present Newfoundland Light and Power Company, Limited.

Petty Harbour N.F. Showing Power House And Surge Tank

New Equipment Permits a Wider and More Generous Service

The rapidly extending demand that faced the present company has been met by a still more extensive development. Further generating equipment was installed, with an additional capacity of 2,700 h.p., giving the Petty Harbor plant a total present capacity of 7,000 h.p. The water to generate this power comes from a storage area of 53 square miles which contains several large storage ponds. This enlargement, beside the new units, required a new wood-stave pipe line 7 feet, 6 inches in diameter, and 3,200 feet in length. These changes have rendered the equipment thoroughly modern and capable of meeting the company's growing requirements for some time to come. The future is protected by the company's property at Pierre's Brook, that will be capable of meeting any future need.

In addition to the extension and modernizing of the plant, the company last year made extensive improvements in the Street Railway System, replacing the old rails with heavier metal, and installing eight new steel cars of the most modern type. In every way the company is endeavoring to forecast and forestall the requirements of the city for both domestic and industrial purposes.

Line Petty Harbour
1437
Newfoundland

The Newfoundland Light and Power Company
Limited
ST. JOHN'S - - NEWFOUNDLAND

St. John's Has Charm; Numerous Centres There To Arouse One's Interest

Is Stirring Capital City of Ancient Dominion

SPIRES AND BUILDINGS

Cabot Tower, Quidi Vidi Village and Colonial Buildings Among Spots of Rare Interest

St. John's, the capital city of Newfoundland, and its principal port, has a peculiar charm of its own. The first glimpse through the narrows, between frowning walls of granite to the city beyond, climbing steeply up the hill, is a sight that will not readily be forgotten. Nor will a closer inspection fail to sustain that charmed sense of novelty and interest. Here is a stirring city, the centre of an island kingdom whose history goes back for hundreds of years, a history whose stirring incidents have left their mark upon the land, and lend an added attraction to the visitor. Within easy walking distance of the centre of the city are innumerable places of intense interest.

Signal Hill and History

There is Chabot Tower perched on the top of Signal Hill that guards one side of the narrow harbor entrance. It is the Signal station for all incoming shipping. From Signal Hill the first wireless message was sent across the Atlantic by Marconi in 1901. It was over this hill that the aviators, Alcock and Brown, passed on their historic flight across the Atlantic in 1919.

Still more lately, Col. Charles A. Lindbergh passed in its very shadow in his epochal dash to Europe. Indeed St. John's may well be interested in aviation for it has seen the start of all those brave attempts to conquer the Atlantic by way of the air.

From Chabot Tower one can look down upon Cuckold's Cove, which lies at the base of Signal Hill on the eastern side. It is in this cove that the cable of the Commercial Cable Company comes to land. This has been the scene of two or three total wrecks.

Romantic Quidi Vidi

Fifteen or twenty minutes' walk from Cuckold's Cove brings one to Quidi Vidi village. This is a thriving, characteristic fishing village and it lies about thirty minutes' walk from the City. With its landlocked "Gut," almost encircled by storm-scarred cliffs, it presents a scene of wonderful grandeur, combined with bustling activity. Fish "flakes" are here in plenty, where the fisherfolk may be seen at their daily vocation, spreading the harvest of the sea. Quidi Vidi Lake is the scene of the Annual Regatta — Newfoundland's Derby—which usually takes place the first week in August.

Unspoiled Loveliness

About two miles from the city, in the picturesque Waterford Valley, lies Bowring Park, which was purchased a few years ago by the firm of Bowring Bros., Ltd., and presented to the City of St. John's as a public park. Situated as it is within easy walking distance of the city, Bowring Park is one of the most popular resorts not only of citizens themselves but of hundreds of tourists who visit it every summer. Well kept paths and driveways, bordered with vari-colored flowers and luxuriant shrubbery, intersect the lovely natural avenue of shade trees; rustic benches are plentifully placed in inviting positions and winding their way through the groves and glades are the twin branches of the rippling Waterford River with their abundance of waterpools, cascades and deep pools and the many romantic bridges, making a scene of sylvan beauty.

The park contains an excellent swimming pool and an attractive and well - equipped children's playground. A handsome Memorial has been erected as a tribute to the Newfoundlanders who participated in the late war. This statue, "The Fighting Newfoundlander," was presented to the people by Sir Edgar Bowring, Kt.

The Ever Young

The Park also contains a beautiful statue of Peter Pan. This masterpiece is the work of Sir George Frampton, R.A., world-renowned sculptor, and is an exact replica of his original statue, which is in Kensington Gardens, London. Sir George came to Newfoundland to personally superintend the erection. There are only three of these statues in existence, the third being in Brussels. Peter Pan was presented to Bowring Park by Sir Edgar Bowring, Kt. Peter is the whimsical creation of Sir James Barrie, who gave him to the world: Peter is ever young, ever happy, ever hopeful. He is the spirit of youth and joy.

Many Notable Buildings

The City of St. John's can boast many notable buildings. The first of these, the one that dominates the city by its commanding position, is the Roman Catholic Cathedral of St. John the Baptist. The corner stone was laid by the Right Rev. Dr. Fleming in 1841 and the building was completed in 1850. It is built in the form of a Latin Cross; exterior facings are of limestone and Irish granite; its towers are 138 feet high. The building is richly ornamented with statuary and paintings and possesses some fine pieces of sculpture. At the foot of the High Altar may be seen one of Hohan's great works—the "Dead Christ."

The Colonial Building

This striking building, that looks more venerable than its years, houses the Parliament of Newfoundland, though the governmental administrative offices are widely distributed about the city. The Colonial Building is located on Military Road, near Bannerman Park. It is built of white limestone. Foundation-stone of this building was laid in 1847 by His Excellency Sir Gaspard LeMarchant, Governor. Legislature met for first time on February 28th, 1850.

Situated near the Colonial Building is Government House. This building was completed in 1832 by Sir Thos. Cochrane, the then Governor. Its plan was taken from that of the Admiralty House, Plymouth, England. Its present occupants are Sir William and Lady Allardyce.

The Anglican cathedral of St. John the Baptist, that is a splendid specimen of Gothic architecture situated in a commanding location, was commenced after the great fire of June 9, 1816, under plans prepared by the well-known architect, the late Sir Gilbert Scott. The Cathedral, although not quite finished, was consecrated on St. Matthew's Day, 1850, and in 1880 its completion was undertaken by the late Bishop Jones. At this time the plans were prepared by Mr. George Gilbert Scott, son of the original architect. The Church was again destroyed by fire in 1892, but steps were quickly undertaken to rebuild the Cathedral as it appears to-day; the tower yet remains to be rebuilt and this work will be undertaken in the near future.

Memorial College

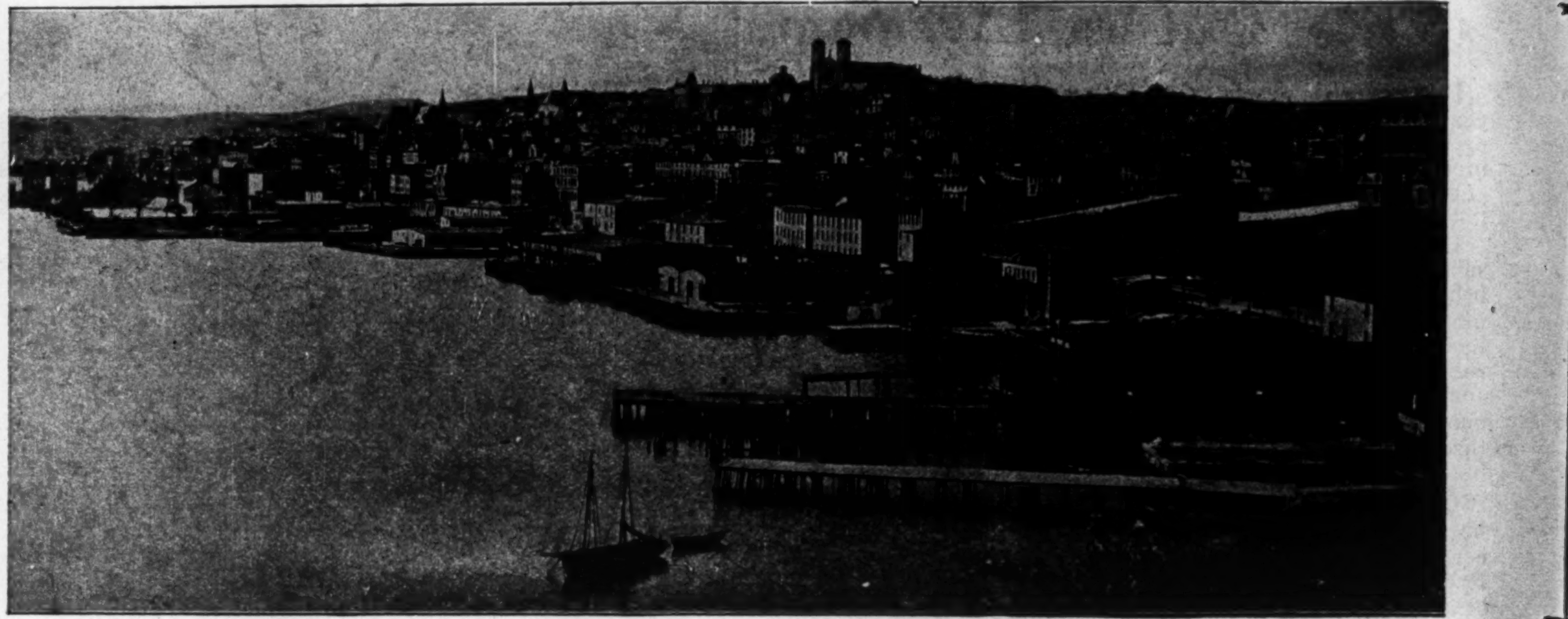
The Memorial University College and Normal School was established and the building erected by the Legislature on behalf of the people of this Colony, as a perpetual memorial of those who served and more particularly of those who died in the cause of freedom during the Great War, 1914-1918. The building was formally opened on Sept. 29, 1924, and classes were arranged for Matriculated College students on the 15th September, 1925. The University work carried on is that of the Freshman and Sophomore years in Liberal Arts and Pure Science, and pre-medical and pre-dental work are also undertaken in accordance with the requirements of the principal universities of Canada. A prominent feature of the College is that of the Evening Classes (vocational and cultural), which are attended by some five hundred students.

In the museum located near the Court House on Duckworth Street, the visitor will discover a fund of interest and information. The museum paints a complete picture of the history of Newfoundland from the days of the Boethics, the first inhabitants of the section. Mr. H. F. Shortis, historiographer, and one of the greatest authorities on the past history of the colony, is always ready to add to the interest of a visit by his special knowledge.

Forest Resources Worth $1,200,000,000

Here is the way one authority of Newfoundland's forests figures their actual value to the country. The country has, at a conservative estimate, 60,000,000 cords. This pulpwood made into paper is worth at a reasonable estimate $60 a ton. It takes roughly a cord and a quarter of pulp to a ton of paper. The cost of manufacture will not exceed $20 a ton, leaving a balance of $40 to compensate for the extra quarter cord, and for work up to delivery at the mill. These charges should not exceed $20 a cord, leaving a net profit to the country of $20 a cord and $20 for 60 million cords reaches the tidy total of twelve hundred million dollars. This is at least an interesting if not a scientifically accurate estimate.

Romantic and Busy, Saint John's is Capital of Island Dominion



A visitor to St. John's, Newfoundland, might well think himself in one of the romantic cities of the Old World. Its streets climb steeply, giving a wonderful panorama through the historic gap where once English and French struggled for mastery, to the wide Atlantic beyond. This picture gives a glimpse of the city from the East, with the Roman Catholic cathedral crowning the heights.

Game Resources Varied In Newfoundland Forests

The Newfoundland caribou, now regarded as a sub-species of the Lapland reindeer, which it far surpasses in size, is decorated with horns, which provide trophies for the hunter, which are well worth winning. Black bear, lynx, beaver, otter and foxes are among the other large game to be found, and Arctic hares are killed in large numbers. Bird game include willow grouse, ptarmigan, snipe, duck, geese, plover and curlew. The Newfoundland grouse is an exact duplicate of the Scottish grouse, the only difference being that the Newfoundland bird turns white in winter. Salmon, sea trout, and lake trout abound, and the Island is a paradise for the angler. The scenery of Newfoundland and its mainland dependency, the coast strip of Labrador, is wild and picturesque, while the bracing health-giving climate is another great attraction, which is causing more and more people every year to seek refuge from the torrid summer heat of the American Continent amidst its delightful holiday resorts.

Harbor Grace Has Clothing Factory

Harbor Grace has a unit in the clothing manufacturing business of Newfoundland, in the Harbor Grace Clothing and Manufacturing Company, Ltd., that produces a complete line of clothing that it offers to the trade. Its location gives it peculiar facilities for distribution in this populous section of the Island.

Traveler Can Enjoy Delightful Sea Voyage On Palatial Steamers

Newfoundland is readily reached by a delightful sea voyage, that offers every interest to the traveller. Sailing from Boston or New York the voyage is broken by a day and a half stay in Halifax, giving ample opportunity to visit this historic city and the beautiful country surrounding. During the stay the traveller uses the ship as an hotel, and has all the advantages that these splendid ships offer. Furness, Withy Limited operate two palatial new steamers, the Newfoundland and Nova Scotia. These ships sail from Boston for Liverpool, via Halifax and St. John's, Newfoundland, giving an incomparable ocean voyage that is broken by stays at these two romantic cities that give ample time for an interesting visit. The Nova Scotia, and her sister ship, the Newfoundland, have only recently been put in service. They are of 7,000 tons gross register and are oil burning, and as perfect in appointment as any of the great Transatlantic liners.

Red Cross Line

The Red Cross Line operates two steamers on the New York, St. John's Newfoundland, route, also stopping at Halifax. The Nerissa of 7,500 tons has only recently been put into service and is a beautifully appointed boat with every refinement of the shipbuilder's art. The Sylvia, that makes the alternate trip is a 6,000 ton ship and has an enviable reputation for seaworthy qualities and comfortable service. Both ships are oil burners. They sail from New York every Saturday noon, reaching St. John's the following Thursday, with a day and a half stop in Halifax.

Farquhar Steamships

The Farquhar Steamships operate a splendid modern steamer the "Farnorth" on the Boston Halifax St. John's route, making the round trip in approximately eleven days.

The same company operates the steamer "Skipper" from Halifax for St. Pierre, and points on the south shore of Newfoundland to Port Aux Basques.

Clarke Steamship Line

The Clarke Steamship Company operates two fine steamships, from Montreal and Quebec for Port Aux Basques, Newfoundland. The steamer "Northland sails from Montreal for Newfoundland by way of the South Shore of the St. Lawrence and the picturesque Gaspe Peninsula. The steamer Nayarit follows the north shore of the St. Lawrence by way of Natashquan to Port Aux Basques.

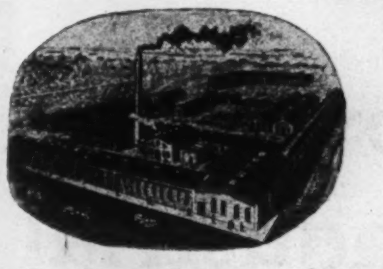
All these companies provide an unsurpassed service and cuisine, and it is becoming a constant practice for passengers to make the round trip on these steamers making a splendid ocean trip with all its benefits coupled with stop overs that give an added novelty and interest to the trip.

WOODWORK AND BOXES

The Saunders Howell and Company, Ltd., of Carbonear, operate saw and planing mills at Norris Arm, and factory and lumber yards at Carbonear. They manufacture all kinds of wooden work, and lock-corner boxes.

Government
Municipal
and
Corporation
Bonds

BERNARD D. PARSONS
INVESTMENT
BROKER
St. John's Nfld.



Colonial Cordage Company
Limited
St. John's, Nfld.
ESTABLISHED 1883
Manufacturers of:
Cordage, all sizes and descriptions
Cotton Fishing Lines and Twines
Italian Hemp Fishing Lines and Twines
Herring Nets and Netting
Wrapping Twines
Distributors of:
Cutch, Oakum, Seine Corks
WHOLESALE ONLY

HORWOOD LUMBER COMPANY
LIMITED
St. John's, Newfoundland

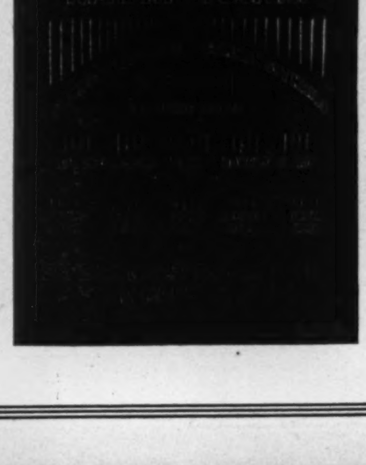
Saw Mills, Planing Mills, Shop Finish,
General Woodworking, Contractors
and Builders

St. John's Nail Manufacturing Co.
ST. JOHN'S, NEWFOUNDLAND

"A Nail for Every Purpose and a Purpose for Every Nail"

THIS company has had a long and honorable history in the manufacturing life of the company, and the standard of quality maintained in its products and its methods of doing business have made it a host of friends all over the Island. The company makes all grades and sizes of wire and cut nails that compete successfully in quality and price with similar products manufactured anywhere. In dealing with this company your money remains in Newfoundland, and you help to give employment to Newfoundland workers. When you buy imported stock you lose the large proportion of these benefits.

Keep Newfoundland money in Newfoundland by buying Newfoundland products.



OVERLAND TRAIN TRIP SEES MUCH VARIED SCENERY

Over Five Hundred Miles of Country Spread Before Visitor

Entering Newfoundland by the way of Port Aux Basques and thence by the Newfoundland Railway to St. John's, spreads the whole panorama of the country before the visitor. Something over five hundred miles of varied scenery is presented to his view. The sportsman, health seeker or tourist who does not care for the water trip from New York, Boston, Montreal or Halifax, can escape it by a short water trip across the Cabot Straits. At North Sydney, Cape Breton, the Newfoundland Government Railway's new steamer Caribou, which is the last word in comfort and convenience, meets the trains of the Canadian National Railways, and a few hours' trip brings the traveller to the Newfoundland side. Coming into Port Aux Basque on a bright sunny morning the scenery is beautiful. The first land one sees is Cape Ray Mountains and lighthouse. Then the ship passes into a narrow rock rimmed basin, with mountainous scenery on both sides. As we proceed from Port aux Basques by rail, we run alongside for several miles the Little Codroy and Grand River, next we come to Highlands, Crabbes, Middle Barachois, Robinson's and Fischel's Brook. At Codroy and St. George's the angler has his choice of several of the earliest and best salmon rivers in Newfoundland and by means of daily trains and good auto roads he can go from river to river with the greatest possible ease.

Some Mighty Rivers

The chief rivers of Newfoundland are: the Exploits River, 200 miles long; the Gander River, 100 miles long; Humber River, 70 miles long. These rivers, like numerous others of smaller size, flow to salt water from wonderlands rich in the splendors of nature.

Many parts of the island are mountainous and these sections bear striking resemblance to the Highlands of Scotland. Mountain altitudes as high as 2,600 feet are attained. For the most part these elevations are clothed with fir, spruce, pine and birch.

The South East River is one of the best salmon rivers in Newfoundland and attracts hundreds every summer. Rail and steam communication afford every convenience to tourists and holiday seekers. The "Gut" (entrance to the Harbor) is but a narrow waterway and a ferry plies daily from the Jersey Side to the townside. Placentia was formerly the Capital of Newfoundland and has been the battleground of many a fierce contest between the British and French forces during the period from 1662 and 1713. Of special interest to visitors are the ruins of the old forts with their inscriptions and peculiar character designs. The old Anglician churchyard is another spot of historic interest. Most of the inscriptions in the Basque language are barely readable. In 1662 the French fortified Placentia and held the town until forced to surrender it to England under the Treaty of Utrecht, 1713.

First Map in 1542

The first map of Placentia and the surrounding Bay was a Portuguese print of 1542, the place being called Plaisance.

Placentia affords the antiquarian a field of historic associations. The old Anglician Church was erected on the ruins of an older French Monastery, surrounded by ancient tombstones, whose inscriptions are untranslatable by present day scholars.

The town is beautifully located. About it are the Southeast and Northeast Arm, five and seven miles long, especially suited to boating, being perfectly landlocked.

Nonia, Mercy Symbol, is Answer

* * * * * *

to Cry of Outport Women and Babes

By JOSEPH LISTER RUTLEDGE.

There is nothing in all the interests or activities of Newfoundland that catches at the heartstrings like the work of the Newfoundland Outport Nursing and Industrial Association.

No visitor to Newfoundland, who has the opportunity to visit some of these outports, when fair weather makes the journey safe and easy, can help but appreciate the rigorous barriers that close in about these isolated hamlets when the icy hand of winter and the insatiable sea combine to cabin them.

Stretch Over 3,500 Miles

Not that they are so vastly different in degree from our own Canadian frontiers, where people are living far from the easy comforts; from doctors and nurses and the other safeguards of life. They differ little in the actual need. But Newfoundland is a small country compared to Canada, though her rugged coastline where these outports lie stretches over 3,500 miles. When we realize how comparatively little Canada, with its millions of population, has been able to do toward the amelioration of the lot of its citizens on the far-flung frontiers, we must bow in respect to "Nonia" that has taken up a similar burden, and carried it so courageously.

For hundreds of years the dominant industry of Newfoundland has been the fisheries. It has been bred in the bone of generation after generation, children following in the footsteps of their fathers, knowing no other occupation. It is a stern and unbending calling that demands high courage and yields sparse returns. Out in these outports, on this 3,500 miles of coast, the same conditions of life and death, of health and sickness prevail as prevail in the cities, intensified only by the hazards of a rugged life. And to serve this great and widely scattered community there are only 45 doctors. Often a doctor's parish stretches over 60 miles or more of territory, where roads scarcely exist, and where the calls are made by boat along the coast. It is not hard to picture the possible tragedies and suffering that such conditions entail.

Deeply Respected

And so, to meet a great need, the Newfoundland Outport Nursing and Industrial Association was formed. In the years that have passed since its formation, its roots have gone deep into the hearts of a generous people, and the name "Nonia" is held in honor and respect and profound affection.

Dr. H. J. A. MacDermott, the beloved Padre of the south coast, who perhaps knows better than anyone else, the greatness of the need, has spoken of "Nonia" as "The Way Out."

"The Way Out"

It was Lady Harris, the wife of a former governor of the Island, who was so touched by the needs of the courageous people that she met on one of the official tours to the Island outports, that she inaugurated a system of outport nursing stations that were supported by government grants and the contributions of the people who needed these services. This undertaking was inaugurated with the hope that the service might some day become self-supporting. But, after eighteen months, difficulties loomed up. Post-war conditions were hard, and the price of fish on which these sturdy folk depended, had fallen to a place where it left no margin for anything but the barest necessities. Nurses were needed as much as ever, but there was no spare money in the Outports to assist in their support.

It was at just this time that the present Governor and his gracious Lady arrived. Lady Allardyce took over the Honorary Presidency of the Nursing Association that had been left vacant by departure of Lady Harris, and with it the great problem of meeting an imperative need, without any considerable sum of money with which to meet it.

Place of Industrial

It is due to Lady Allardyce's untiring devotion, that was equalled by the spirit of her voluntary assistants, that the word "Industrial" was added to the title of the Association, and was given a real significance.

Lady Allardyce in her first Presidential report in June, 1925, tells of this new development.

> "I had made enquiries as to the methods followed in organizing the knitting in the Fayre Isles and Shetlands, believing that there must be equal possibilities in Britain's Oldest Colony. The record of the splendid work done during the war in almost every outport strengthened this belief and the committee sanctioned the purchase of Shetland garments as samples and patterns. Each nursing district was circularized, doctors were approached and on our personal visits to the Outports in H.M.S. "Wistaria," the idea was explained and the knitting of the Scottish fisher girls shown to their outport sisters. Keen interest was aroused and the urgent need for some such work in Fortune Bay gave us courage to send out our first wool. Dr. Wilfred Grenfell offered to lend one of his trained weavers and we procured the services of Miss Minnie Pike of Red Bay, who set out from St. John's on August 11, 1922, armed with a small case of wool, needles, some Shetland garments as patterns, and a barrel of whole wheat flour. She knew little or nothing of knitting but in response to a telegram a loom was sent from St. Anthony and for two months under the guidance of the Rev. H. J. A. MacDermott, she went from Cove to Cove teaching the people how to weave. Both men and women came to learn, and that winter some of the men and children proudly wore homespun made from their local wool. The first knitting and samples of weaving reached me on September 29, some hopeful, some pathetic, all proving that these isolated people were eager to try to help themselves. That district has since made steady progress under Mr. and Mrs. MacDermott's constant care and has received over $4,000 in direct payment. Highly skilled tuition in spinning, dyeing and weaving was given the following July and August by Mrs. Stansfield, an English volunteer now resident in Toronto, to whom the association owes a debt of gratitude. This lady has promised to give her services again this August and September, and our loom room in Pool's Cove now has a dormitory attached to enable weavers from other coves to reside there while receiving organized instruction.

His Excellency the Governor, speaking at a similar meeting a year later, had this to say:

> "Anything that ameliorates their conditions or assists them to attain a higher standard of living, or strengthens or reawakens that spirit of independence of which by-gone generations were so proud; anything that inspires hope and confidence in the future, that relieves the dull monotony of their all too restricted and isolated lives and extends to them, at the same time, the priceless gift of human kindness; anything indeed that discourages them from accepting relief, until ill-health or old age necessitates such acceptance is assuredly for their good."

Spirit of "Nonia"

That, in essence, is the spirit of "Nonia," it is help but help that is paid for. Seventy-five per cent. of the cost of nurses' salaries is paid for by those who use that service. But the essence of the thing is that "Nonia" makes it possible for them to have the money to do so. "Nonia" provides the materials, and the patterns, teaches the women of these scattered outposts to knit and weave. It takes their product from them, and markets it at a fair price. There is no patronage in the scheme. It is a business undertaking. The work must be good or it will not be received. The first slip will be overlooked, and perhaps the second, but after that the product will be returned.

This year Lady Allardyce returned from England with trunkloads of new knitted garments to act as patterns, and more surprising still, models of dainty pieces of fashioned glassware, and ornaments, and favors also, and with them the materials for their making. Delicate work it means to fashion these bits of glass into things of beauty, such as those that are the latest fashion in Paris and London, but Lady Allardyce proudly states that of course her people can do it.

Can you picture to yourself what this breath of the outside world of fashion can mean to women who live their life long in some sheltered cove between broad headlands, seeing few people, knowing little of the outside world? Do you wonder that one of them expressed that feeling in a poignant message: "We can't think how we managed before we found we could earn for ourselves. Don't ever let us be without it."

"Heal Sick—Lead Blind"

But the real reason and purpose of "Nonia" is to see that these isolated men, women and children are given proper nursing care.

There are now eleven nurses who are supplied under the auspices of the Overseas Nursing Association and enroll for a period of two years. It is a heartening fact that already three of these nurses have been so impressed by the need and importance of the work that they have applied for a second term. It is no easy service that they give, and they do not receive the remuneration that they could readily command under any other conditions, yet they do not think of that, these devoted women. The English nurse at Port Saunders, who had just completed her term of service, subscribed one hundred dollars of her hardly-earned savings that she might help this work along.

Saved Two Lives

And it is hardly earned. There is the case of the nurse who had been taken seriously ill herself, who was called out on a difficult maternity case. The word came that the patient was sinking. The nurse, too ill to dress herself, was assisted by kindly hands, and was carried by four men to the motor boat that was to take her to this case. In her report she makes light of the incident. "It seemed unfair," she wrote, "to lose two lives for the sake of one," and then — "Mother and baby are doing well."

Still another nurse had found time among her multitudinous duties to learn Braille so that she could be of help and comfort to the blind.

They tell of the nurse at Rose Blanche, where the confinement mortality had run to 66 per cent., who had twelve maternity cases in two and a half months, in which she performed the function of both doctor and nurse without losing a case. In some of these cases she was called after midnight and had to walk for miles through heavy snowdrifts, with the wind sweeping its zero blast over the rocky headlands. That is the type of service these nurses are rendering.

Eleven Nursing Centres

At the present time there are nursing centres at Rose Blanche, Joe Batt's Arm, Hant's Harbor, Garnish, Port Saunders, Jackson's Arm and Sop's Arm, Fleur de Lys and Coachman's Cove, Westport and Seal Cove, St. Joseph's and Salmonier, Rencontre West and Green's Harbor.

It is to be remembered that 75 per cent. of the salaries of these nurses is paid by the women of these centres, who earn the money by their knitting and weaving. It is perhaps interesting to know that the last report of the Association shows that there are 900 knitters enrolled, and that from the time the undertaking was started in April, 1924, until January 31st, 1927, they had received in actual payment for their work over and above all supplies and training $16,800.

Perhaps if anyone has been touched by the heroic thing that lies hidden behind dull words that can only dimly portray a great and urgent need; they will want to be associated in some way with this self-helping and courageous service. It is obvious that the need is great, and that the work of these Outport women cannot hope to meet the whole need. To anyone who has the will to help, it is certain that Lady Allardyce herself would be glad to suggest the means. Perhaps even the dollar membership fee in the Association might well be that "cup of cold water" that we are assured shall not lack its reward.

Newfoundland Consolidated Foundry Co. Limited

Manufacturers of Cooking, Parlor, Hall and Church Stoves, Gothic Grates, Mantelpieces, etc., Windlasses, Rouse Chocks, Hawser Pipes and every variety of Ship and General Castings, Railings, Crestings and all Architectural Castings.

St. John's - Newfoundland

Purity Factories, Ltd.

61-63 Hamilton St.

St. John's, Newfoundland

Cables "PURITY"

Manufacturers of:

Confectionery of all kinds, Jams, Marmalade, Fruit Syrups, Lime Juice, Vinegar, Aerated Waters.

Quotations solicited on:

Raw Lime Juice in Puncheons
Malt Vinegar in Casks
Fruit Pulps in Casks and Tins
Shelled Nuts, Dried Fruits
Chocolate Coatings
Powdered Gelatine
Waxed, Greaseproof and Tissue Papers

Samples of goods quoted on must be submitted.

Established 1895
231-233-235 Duckworth Street,
ST. JOHN'S, NEWFOUNDLAND.

The Originators of Ready Made Clothing Manufacturing in Newfoundland

THIS company has pioneered the development of ready made clothing manufacturing in Newfoundland. Its products represent ladies' costumes and a full range of men's and boys' suitings, overalls and shirts. They can be readily secured in St. John's and in any district in the Island. The Company's name is the best guarantee of the quality of the product.

The Newfoundland Clothing Company
Limited

"MOST IMPORTANT MINE DISCOVERY YET ON ISLAND"

(Continued from page 17)

point of shipment at $3 per ton. This includes pit head costs, and sundry other charges.

The estimated cost of rail freight from Robinson's Station to St. John's is placed at $3 a ton, and water freight at from 75 cents to $1. The present cost of coal in Newfoundland ranges from $11.50 to $12.50 per ton for bituminous and $20 to $21 for anthracite.

The annual consumption of coal in Newfoundland according to the customs returns for 1924 is approximately 300,000 tons, derived as follows:

From Canada, 245,000 tons valued at $1,575,336.

From United Kingdom, 59,540 tons valued at $311,397.

From United States, 36,593 tons valued at $248,986.

From St. Pierre, 10 tons valued at $71.

A total of 330,479 tons valued at $2,135,790.

There can be no reasonable doubt that the gradual disappearance of available timber that is largely used for fuel will materially increase this demand in the future.

Government Concessions

The company has important government concessions, which include free entry of machinery and other materials for construction during the first ten years. A bounty of 75 cents per ton on all coal mined and consumed in the colony for the first five years, and 50 cents for the succeeding five years, such bounty in no year to exceed a total of $75,000. No royalties, rents or taxes of any kind shall be imposed until ten years after the output of coal in commercial quantities, and then only a tax not to exceed 10 cents a ton.

Undoubtedly, these conditions are very favorable for successful operation, provided that resources are there in sufficient quantities to make this undertaking an economic possibility.

Some Question Economics

It is only fair to state that there is a wide divergence of opinion on this point. There are some who contend that no clear distinction has been made between high grade coal that could be profitably mined, if found in sufficient quantities, and the lower coal measures that while admittedly extensive are claimed to be of a grade that could not be profitably developed. There is no question that high grade coal has been found in the section, the only point at issue is as to whether that grade maintains throughout the extensions of the field. Reputable authorities claim that it does not. Opposed to this is the report of Dr. Baker, government geologist, who on June 24th of this year wired the Minister of Mines from the St. George's coal field district: "Have already written you fully re coal fields. They greatly surpass expectations, being a very large and valuable property. Hole three struck five seams already, and Jukes seam not yet reached. Strongly urge reservation of all lands surrounding coal fields not yet taken up."

Dr. Baker's report to the Minister of Mines, of June 21, 1927, as certified by the Deputy Minister of Mines, is in part as follows:

"I have the honor, and great pleasure, to report the most important mineral discovery yet made in Newfoundland.

"As you are aware, I left for the St. George's coalfield with certain misgivings, fearing that I might have to report adversely upon the area on account of the small coal-content.

"I had studied certain reports of those who had previously examined the coalfield and was left with that impression upon my mind.

Are Part of One Seam

"During the first few days of my work on the coalfield that impression was deepened. I saw that the Cleary, Jukes, Furlong, and other seams, although valuable coal-seams, dipped so steeply, and turned so sharply, that the width of the field, in the region of the outcrop of these seams on the Middle Barachois River was not more than about twenty chains. However, on extending my examination of the geological section shown in the banks of the Middle Barachois River, I made a great and most heartening discovery. A large number of seams have been reported as outcropping in the banks of this river, and these have received various names. I have found that the discovery, Murray No. 1, Murray No. 2, Diamond and Howley seams are all parts of one and the same great seam, which meanders along the Middle Barachois River for a considerable distance, crosses it just west of Tom Diamond Brook and strikes north to appear at Robinson's River as the Howley seam.

"Even this great seam probably does not mark the outer limit of the field, as the Shears seam, containing most valuable coal, appears to occur outside it on the northern feeder stream. A large area is enclosed by the Murray Seam, and in this area occur the valuable Jukes, Cleary, Furlong and possibly other seams.

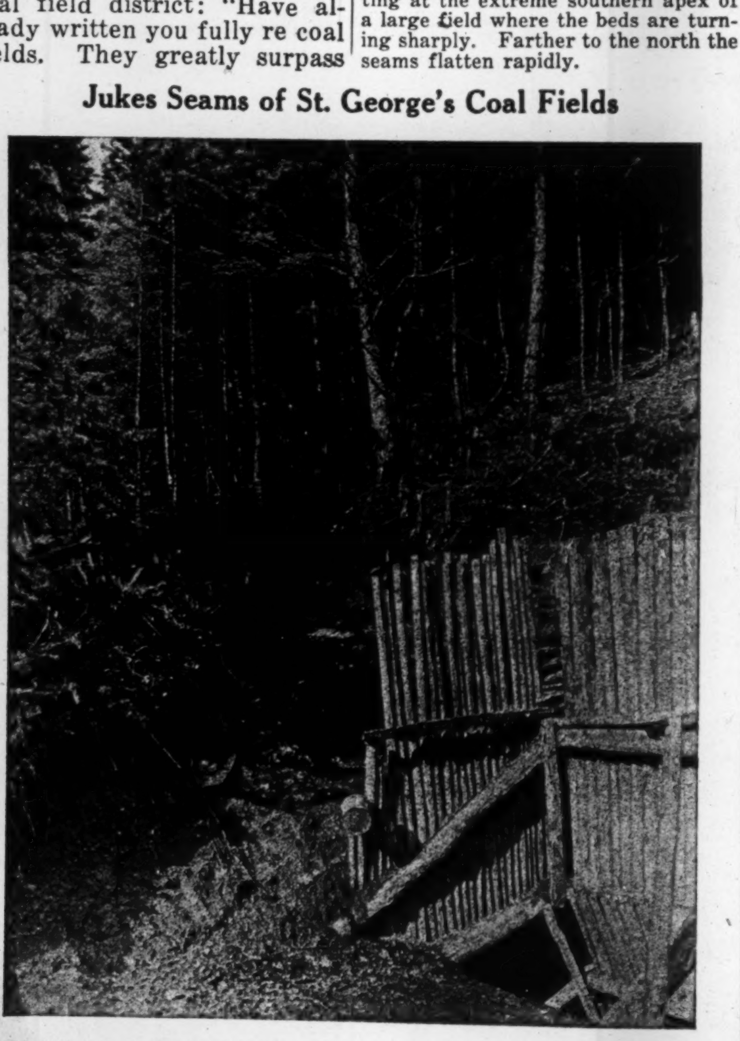
"The St. George's Coalfield is now seen to be merely the southernmost extremity of a large crescent-shaped coalfield which runs north and veers to the west. Its limits are quite unknown as yet.

"A very valuable coalfield lies to the north and west of the property held by the St. George's Coalfield Company, but even in the area held by this company I can confidently predict a coal-content of many millions of tons. Newfoundland is now definitely known to possess at least one large and valuable coalfield.

Lose Drilling Cores

"Borehole No. 3 is now in progress and the hole is down something over 200 feet. I have had nothing to say in regard to the location of these three holes but I am very glad to report that all three are excellently situated. Boreholes 1 and 2 were so situated that they were outside the Cleary seam but on the Jukes, and both holes proved the Jukes seam. Borehole 2, which reached a depth of 982 feet, also proved five other seams below the Jukes. Borehole 3 is over both the Cleary and the Jukes seams and we are expecting to strike coal at any time. The fact that only about 30 or 40 per cent. of the cores is being recovered is not at all disturbing. It is on account of the comparatively small diameter of the holes and the softness of the rocks. It will be practically impossible to secure much coal-core. The high dip of the coal-seams, which is so alarming at first sight, is due simply to the fact that we are operating at the extreme southern apex of a large field where the beds are turning sharply. Farther to the north the seams flatten rapidly.

Jukes Seams of St. George's Coal Fields



This is the principal seam of the St. George's Coal Fields, on which Dr. Baker, the Newfoundland Government Geologist reported so favorably. It shows the preliminary workings on the right bank of the Barachois river, where there are six feet of clear, bright coal. The seam can be traced in the picture, up the hillside where the surface has been removed.

Brief Historical Facts Relating to the Island

Newfoundland, discovered by John Cabot in 1497, was the first Colony of the present British Empire.

It was first taken possession of in the name of Queen Elizabeth by Sir Humphrey Gilbert, in 1583, the formal ceremony taking place on the "Beach," St. John's East. A splendid memorial to Newfoundland's war heroes is now erected on the spot.

First inhabitants found in Newfoundland were the Beothiks, the native Indians. These have been extinct since 1830.

The first Europeans to make regular fishing voyages to the coast of Newfoundland were the fishermen of Brittany and of Normandy, France.

The first attempt at colonisation on large scale made by John Guy, of Bristol, who established a plantation at Cupids, Conception Bay, 1609, ended in failure.

Charles I, of England, in 1638, gave Sir David Kirke a grant of the whole island of Newfoundland.

First international recognition of sovereignty of England over Newfoundland embodied in Treaty of Utrecht, 1713, under which the French agreed to evacuate the country entirely.

WHAT WILL ISLAND DO WITH LABRADOR?

ward to a sometimes winterbound coast, but inward to the great St. Lawrence waterway, and to the manufacturing centres of Eastern Quebec.

And as Quebec is the logical owner, perhaps Quebec should be looked to as the logical purchaser, or at least administrator for the possible purchaser.

It is an interesting fact, that during the course of the early negotiations of the Labrador question, a commission representing Newfoundland and Quebec, meeting in the latter country, did hear a casual suggestion that Quebec might end the matter by purchasing the territory. But the sum suggested was not a hundred million, but five or six million.

Perhaps if that suggestion had been definitely made, Newfoundland might have been ready to trade their chances in that appeal, and so avoid its share of the two million costs that the appeal and its preceding investigation cost. But the suggestion was not definitely made, and the Privy Council's decision changed the whole complexion of the matter. It is reported, on how good an authority we cannot state, that when Premier Taschereau of Quebec heard of the decision, he shrugged his shoulder and remarked, "It's too big for Quebec now."

Worth Much More Now

He realized, at once, that the decision. removing, as it did, all question as to title, had raised the value of that territory many fold. It there was a question of purchase now, it was a question for the whole country, and even then, it would be a serious question. Even before a definite decision had been given the initial consideration and valuation, based perhaps on better understood conditions, had increased considerably. The correspondence tabled by Premier Munroe in the Newfoundland Legislature, April 1925, showed that two alternate plans had been considered. The first involved the cessation by Newfoundland of all her rights to the territory for a figure of $30,000,000. This the Canadians considered to be too high. Then an offer to dispose of the hinterland was made by Newfoundland, she to retain a strip three miles deep all round the coast for fishery purposes, and to be paid $15,000,000 for the rest of the region. This figure was also considered too high, and in addition it was made clear by the Ottawa authorities that they were indisposed to deal except on the basis of the acquisition of the whole territory.

It was this impasse that led to the whole matter being taken before the Privy Council, and to the ultimate decision in favor of the bulk of Newfoundland's claim.

Thinks Should Be Sold

One who was thoroughly conversant with Newfoundland opinion, who knew the merits of the case and its difficulties, gave it as his opinion that given an adequate price, Newfoundland would be well-advised to sell. He did not speak of hundreds of millions, or did not speak of an amount that would wipe out Newfoundland's sixty odd million of debt. He gave it as his opinion that fifty million would be an adequate figure.

But even if such figure were offering there would yet remain many tangled points to be considered, the distinction between the sale of land as such, and the sovereignty over that land, the need of assurances that Newfoundland citizens could be assured of an inailenable right to the same fishing privileges that would be accorded the citizens of such a purchasing country.

But it is not a simple matter to raise even fifty millions even for vast resources that are as isolated and remote as undeveloped Labrador is today.

Undoubtedly the Newfoundland Government, and the weight of informed public opinion behind it, is not looking toward any such definite action at the present time. The feeling is, that such a trade should not be made blindfold, that the the sane and reasonable course is first to make a survey of that country, as complete as facilities permit, and in the meantime to assure it against any unwise exploitation. It is undoubtedly this last factor that was responsible for the Labrador Bill that came before the present session. There will undoubtedly be certain changes in this bill before it is finally made law, but the prime condition is likely in spirit at least, to remain unchanged. The original bill as presented to the House early in July is as follows:

An Act to Govern the Granting of Lands and Rights in Labrador

"Be it enacted by the Governor, the Legislative Council and House of Assembly, in Legislative Session convened, as follows:

"1. From and after the passing of this Act no license, lease, grant, right, title, concession, privilege, or the like of any kind whatsoever of to or over or affecting any land, timber, or water power in the parts of Labrador belonging to Newfoundland shall be given, granted or issued, save by Act of the Legislature of this Colony passed especially in relation to each such giving grant or issue.

"2. Nothing herein shall affect the validity of any license, lease, grant, right, title, concession, privilege, or the like heretofore lawfully given, granted or issued, or heretofore under and in pursuance of any Act of the Legislature agreed to be given, granted or issued by the Government of this Colony, nor the application to the same of the provisions of existing Acts of the Legislature.

"3. Nothing herein shall prevent:

"(a) The issue under Chapter 129 of the Consolidated Statutes 1916 or of any amending Acts of grants for purposes of occupation or agriculture within three miles of the sea and not exceeding fifty acres in the same locality to any one person or corporation and not being so placed as to hinder the development or use of any water power, mineral deposit or other natural resource, or

"(b) The issue of licenses, leases or grants of mineral lands under the conditions of the Crown Lands Acts and of surface rights necessary for the working of mineral lands as in the said Acts provided; and the application of the provisions of the Crown Lands Acts relating thereto.

ANCIENT SEA SHELLS BRING IN REVENUES

Company Ships Them to American Centres for Use as Food for Poultry

Shells that have lain on Labrador beaches for perhaps hundreds of thousands of years are to be exploited for the benefit of the poultry of this and perhaps other continents.

One of the most striking sights on some parts of the Labrador are the immense piles of sea shells, in places hundreds of feet high and miles in extent that have been ground into small particles by the action of wind and sun and ice for perhaps a million years

Their existence has been known for years and attracted only a passing notice, until someone thought to have it tested as a possible food for poultry. Extensive tests were made by the United States Department of Agriculture, and by various poultry experts in Agricultural Colleges, and the reports were returned that they were a much better product than the oyster shell that forms the basis of most of the existing poultry foods.

Immense Quantities Consumed

As the consumption of this product averages about two million tons a year it was obvious that there were commercial possibilities in the product, if it could be placed on the market at a reasonable cost. The Northern Products Company was organized to secure rights and to investigate the possibilities.

The company is favored by the fact that there are many millions of tons of the shell showing on the surface, with probably extensive supplies beneath these. Only sufficient equipment is needed to shovel the product, that is on the beach, into ships, and such equipment need only be of the most rudimentary and simple character. It has been figured that the product can be laid down in American centres at, at least a price that will equal the oyster shell product, and very probably at a much lower rate as shipment becomes extensive. One of the largest poultry food firms in the United States, has been approached and has agreed to manufacture the product into their poultry products, and to use all that can be shipped from Labrador this year. They look for an eventful production of from 400,000 to 500,000 tons annually.

The first actual shipload was moved from Labrador early this month, and other cargoes will follow as rapidly as possible, and it is hoped to develop this resource into a great industry.

Eastern Trust Has St. John's Branch

The close association of the Maritime Provinces with Newfoundland, and especially with the City of St. John's, will naturally attract both the confidence and the business of the people of the Island Dominion to The Eastern Trust Company, which has established a branch office in St. John's and is therefore in a position to give independent and immediate attention to the duties of executor, administrator, trustee, custodian or agent, which may be entrusted to it. The Eastern Trust Company has the advantage of the services of a local Advisory Board of the highest personal standing under the chairmanship of Sir Marmaduke Winter.

United Towns Electric Expands Its Business

This company supplies light and power to practically the whole Avalon Peninsula. The original plant of the company was at Carbonear, with the idea of furnishing light and power to the three towns of Carbonear, Harbor Grace, and Heart's Content. This company now serves fifty communities, and is increasing its customers at the rate of a thousand a year. Its plant is now located at St. John's. There is a steady policy of expansion, and lines are already being run to Renews on the South Shore, and others to supply Harvey and Bay Bulls. The lead and silver mines development at La Manche is asking for a constant supply of 500 h.p. and the probability is that a further extension will be made to take care of this business.

The Officers and Directors of the Avalon Telephone Company and the United Towns Electric Company are as follows: Hon. J. J. Murphy, president; R. J. Murphy, vice-president and managing director; J. D. Cameron, secretary-treasurer. Directors: Hon. A. E. Hickman, J. H. Winfield, M. E. Martin, Garrett Brownrigg, Hugh Cameron.

Cod Liver Oil Brings Island Big Revenue

It is now universally admitted that the particular conditions surrounding the cod fisheries of Newfoundland. the happy combination of proper food, suitable water temperatures, and promptitude of handling the fish, have made the cod liver products of the fisheries of Newfoundland more full of life-giving vitamines than that of any other section. The firm of W. A. Munn have not only taken full advantage of these natural qualities, but have added to them the most modern of manufacturing processes. During the past few years their plants have been modernized on the lines of the latest scientific process and equipment. The ammonia process has taken the place of salt and ice for freezing purposes. A new and up-to-date chill filter-press has superseded the straining in bags. New methods of rendering the oil out of the livers in a vacuum boiler or protecting the livers by carbon-dioxide are now being prepared to protect the livers and oil in every way from the oxygen in the air. which is the greatest destroyer of vitamin activity, and changing the sweet nutty flavor found in their oil.

Newfoundland Butter Co. Has Very Modern Plant

This company operates an extensive and modern plant in St. John's that is the last word in modern equipment and scientific method. The plant is a modern building built in 1925, and has a permanent staff of 25 persons, and is equipped with machinery of the most modern type to be found on this side of the Atlantic. The product of the factory is shipped to all parts of the Island. The rapid success of this business is due in no small degree to the keen and aggressive policies of the owner, Sir John Crosbie.

The first newspaper was published in Newfoundland, the "Royal Gazette and Newfoundland Advertiser," in 1807, with John Ryan as publisher and editor.

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EXCELLENT ROADS OFFER MOTORIST TRAVEL COMFORT

(Continued from page 17)

These wooden structures have now been replaced by concrete bridges that are both serviceable and decorative. The Cataract Bridge on the Placentia highway carries over a picturesque canyon nearly sixty feet in depth. The Grand River Bridge is a splendid structure 1,140 feet long, and another important bridge link will shortly be constructed on the Middle Cove Road.

Gravel Highways

The highways are of gravel structure, the materials being found at hand in many cases, and never at any great distance. This type of road has been found unusually suited to the climatic conditions, and after almost two years of traffic they appear to be in as sound condition as when they were laid down. This happy condition is due largely, of course, to the very careful system of maintenance. Travelling road gangs, equipped to camp by the roads, maintain them in perfect condition.

This four hundred miles of motor highway does not, of course, represent anything like the total of available roads, but only that part of the system operating under the Highways Commission. In addition, there is a very extensive road system maintained by government grant that in many instances provide very acceptable roads, and quite suitable for motor traffic, affording connecting links between various branches of the Highway system.

Radiate From City

All the roads built under the supervision of the Newfoundland Highroads Commission radiate from St. John's and are located in the Avalon Peninsula. They tap the most important centres of this section, and reach many of its great fishing and hunting sections.

The visitor to Newfoundland would be well advised to bring his car along. In no other way can he get such a complete idea of the marvellous natural beauties of the island. As an instance, one might mention the highway that runs by Tor Bay, Outer and Middle Cove. In places, this splendid highway runs along a high headland, that drops in steep red granite cliffs to the open Atlantic. There are places where you could toss a biscuit into the waters, lashing themselves against the rocks hundreds of feet below. The road winds in and out among the various coves and inlets, each with its picturesque fishing village nestling at the head of the cove, where scores of fishing boats ride in the protected waters. Leaving this highway a three-mile drive over one of the ordinary roads, that is still a very fair roadway, brings you to Portugal Cove on the mighty Conception Bay. Three miles off shore as you drive along is Bell Island, where is located the greatest iron mine in the world, with something like two billion tons of high grade ore reserves. You can see the freighters loading ore to feed the blast furnaces in Cape Breton. Farther along you come to St. Philips, Broad Cove, one of the loveliest sights to be found anywhere.

Many Beautiful Trips

It would be well worth a trip to Newfoundland for this drive alone, for one would travel a long distance to find its equal in picturesque beauty. And of that thirty-five-mile trip, all but three miles of it is over as good roads as any motorist could possibly desire.

This is only one of the many delightful trips that can be taken over the splendid roads built by the Highroads Commission. Another road leads by way of Holyrood, a beautiful little village at the head of Conception Bay, to historic Placentia, once the capital of the island, and the seat of France's former power in the island. The distance from St. John's by road to Holyrood is 30 miles, and from Holyrood to Placentia 54 miles, a drive of 84 miles in all. Another highway leads by way of Brigus on Conception Bay, to the same destination. The distance to Brigus from St. John's is 49 miles. Another twenty-six miles of travel brings you to Colinet, where you pick up the Placentia highway, a trip of 110 miles all over splendid roads.

Still another picturesque drive takes you from St. John's across the top of the Peninsula to the lower end of Conception Bay by way of the well known summer resorts of Donovans, Topsail, Manuels, Kelligrews, where fishing of all sort abounds, and through Seal Cove to Holyrood. From there the road turns north, skirting the picturesque shores of Conception Bay, a great and impressive inland sea, to the prosperous towns of Harbor Grace and Carbonear, a total distance of 72 miles. From Carbonear the road continues north by way of Broad Cove, Job's Cove and Lower Island Cove, almost to the tip of the Bay De Verde peninsula. From there it crosses the narrow neck of land to Old Perlican on Trinity Bay, another of those majestic stretches of water that give Newfoundland its peculiar and delightful character, and from there, by way of New Melbourne, New Chelsea and New Perlican, to the Anglo-Newfoundland Development Company's pier at Hearts Content.

In all, this road covers a distance of 136 miles from St. John's, and every foot of the way is a revelation of new beauties, that one will not readily forget.

Shorter Trips as Well

There are many other shorter trips in and around St. John's to points of interest, places that hold historic memories, places where sport may be had for the trouble of dropping a line in almost any brook, and all with an unspoiled beauty of their own.

The actual roads built or reconstructed under the commission's government during the past year are as follows:

St. John's through Harbor Main, Port de Grave to Clarkes Beach 53½ miles.

Main line through District of Harbor Grace, 16 miles.

Public road for Carbonear to Old Perlican via Western Bay 29½ miles.

Holyrood to Placentia, 55 miles.

Clarkes Beach south to Whitbourne, 19 miles.

Whitbourne to Comlet, 15 miles.

Clarensville and Shoal Harbor, Trinity Bay, ¾ mile.

Middle Brook Gambo to S.W. Brook, Trinity Bay, north side of Bonavista Bay, 21½ miles.

Cornerbrook to Georgestown, 3¾ miles.

Approach to Signal Hill, 667 yards.

Surveys have also been made in the Port Aux Basques, Cornerbrook and Bay of Island sections, and it is hoped that extensive work may be undertaken in these sections in the near future.

Agreeable Surprise

These developments in road construction provide a network of motor roads of which any section might well be proud. Certainly the visitor to Newfoundland will be very agreeably surprised by the splendid road facilities, and it would be well to bring a car, as so many visitors have already done. Spendid facilities for the transportation of automobiles are provided by all the shipping companies reaching Newfoundland from Liverpool, New York, Boston, Halifax, Sydney and Montreal. For the visitor who does not wish to be troubled with his own car, there are many car liveries that make a feature of these trips at a very reasonable cost, and, as has been noted elsewhere, the standard of car equipment in St. John's is very high, and the visitor can travel in the utmost comfort.

GREAT BUCHAN MINE HAS $200,000,000 OF ZINC LEAD ORE

(Continued from page 17)

been discovered, at a point some 4,000 feet from the original discovery, that seems to be the most outstanding deposit of zinc lead ore in the world today. This lense is known to be some 600 feet long, 400 feet wide and 125 feet thick, at a rough estimate some 3,333,000 tons of ore that should be worth $50 a ton, thus putting the discovery alone at a value of close to $200,000,000.

The original Buchan's Mine showed approximately 200,000 tons of ore, carrying appreciable values in gold and silver, has already been developed. Some 300 feet west an agglomerate ore-body was located by surface prospecting that shewed some 40,000 tons of five per cent. lead and eight per cent. zinc, and development work has been undertaken there. Directly to the north of this find a 14-foot thick vein of high-grade ore was located by underground work, but its extent and tonnage have not yet been determined.

Electrical Prospecting

It was the surprising richness of these discoveries that led the American Smelting and Refining Company to retain Hans Lundberg, an expert in electrical prospecting, to make a survey of the remainder of their property, and it was this policy that led to the discovery of this massive zinc-lead lense that, as far as present development has gone, shows at a conservative estimate between three and four million tons of ore worth from $35 to $50 a ton. This single find makes Buchan's Mine the most important lead-zinc deposit in the world.

Some two thousand feet to the east another high-grade lense has been discovered, which has been proved to be 1,000 feet in length, but at this writing investigation has not gone far enough to determine its thickness.

Extensive Development

Though comparatively little publicity has been given to this remarkable mine the American Smelting and Refining Company are conducting an extensive development program on the ground. This program consists of building a 23-mile railway to connect with the main line of the Newfoundland Railway, and the construction of a town to meet the needs of the mine employees.

As far as the actual development work on the mine proper goes, work has already been started on a 500-ton concentrator. A prominent mining man, who has recently been over the plant, states that while its capacity is given as 500 tons, it is the largest 500-ton concentrator he has ever seen, and it looks to him more like a 1,000-ton capacity. This is in line with the cautious policy of little publicity that has marked the company's development program throughout.

The company is also building a 2,500-horsepower hydroelectric plant on Buchan's River, which will meet the requirements of the mine, and this perhaps indicates as well as anything else the company's own estimate of the extensive nature of their coming operations.

Type of Ore

In so far as the investigations have proceeded the ores appear to occur as massive, fine-grained zinc-lead sulphides in tuff. The hanging wall is conglomerate, and the foot wall is the same formation. Between the conglomerate hanging wall and the ore-bodies themselves, a rock determined by Lundberg as Andesite occurs. In the areas adjacent to the mine, basalts, quartz porphyries and diabases have been noted. It appears that similar geological conditions exist over a wide area, as zinc-lead float has been found, four miles west and five miles east of the original discovery.

The section is very favorably situated in regard to accessibility. The Anglo-Newfoundland Development Company's railway is closely adjacent to the properties in and around Buchan's Mine. Joe Globe's Brook and its tributaries drain the northwest section of the area, and the Exploits River, with its tributaries, the southeast section. Both are suitable for boat and canoe transportation. The climate of the section is temperate and mining operations can be conducted throughout the year, while prospecting can be done from the middle of May to about the middle of December. The area as a whole is flat lying or gently undulating country, broken only by occasional abrupt hills. Rock outcroppings are very few in number, and the surface is largely concealed by a thick overburden of glacial debris which is characteristic of the whole country in the neighborhood of Buchan's Mine. This has been a large factor in delaying the development of these great deposits, but the success of the electrical prospecting undertaken by the Buchan's Mine people have demonstrated the feasibility of this method of survey.

Early Uncertainties

The method is naturally not without its uncertainties, and when it was first undertaken there seemed to be some ground for questioning its feasibility. Lundberg himself had to admit that the early attempts were discouraging. It seemed difficult to pick up the trail of the original find, partially because of the swampy nature of some of the territory. But Lundberg persisted. "I feel something pulling me this way," he insisted. That was 2,000 feet west of the original location, with far from favorable prospecting conditions, but his hunch was justified, for there, right in the middle of a swamp, that tremendous lense was discovered, and the sinking of ten or twelve drill holes determined beyond any possible doubt the extent and quality of the find.

Quality of Ore Body

The value of the Buchan's Mine ore is best indicated by its percentage values that are given as: Zinc, 22 per cent.; lead, 10 to 12 per cent.; copper, 0 to 9 per cent.; silver, 5 to 12 ounces, and some gold, the value of which has not yet been determined. It is estimated that there should be a profit of $25 on every ton of ore taken out. After only ten months of actual work on the property the results are startling.

Other Properties

What has been said refers entirely to the actual operations on the Buchan's Mine properties developed by the American Smelting and Refining Company, and there is every reason to believe that other finds of equal value will be made in the immediate neighborhood. Already other important mining interests are locating in the section. The Porcupine Goldfields Development Company have optioned 30,000 acres in the immediate vicinity along the line of strike. The British Metals Corporation had, at the time of writing, virtually closed an option on an additional 32,000 acres, and the Towagmac Exploration Company has another 37,000 acres under consideration. It appears more than likely that the near future will see a tremendous development in this section.

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MILLION DOLLAR HOTEL IS ASSET OF ST. JOHN'S

Newfoundland Hotel Proves Fine Tourist Getter For Island

A million dollar hotel in a city of only slightly over 40,000 population, with a total population in the country of only a little over a quarter of a million would seem to be faced with insurmountable difficulties. Yet in the Newfoundland Hotel, St. John's has an enterprise that in appearance, general equipment and service would do credit to a city of any size.

Its location is superb, being charmingly situated on the site of the historic Fort William, overlooking the City of St. John's, and the Atlantic Ocean. It also commands entrancing views of Quidi Vidi Lake with its picturesque landscape, as well as the famous Narrows with their huge rocky cliffs on either side.

Part of a Tourist Policy

The hotel was built as part of the general policy of encouraging tourist traffic, and indeed it is an essential link in the campaign. The government appreciated this and gave the undertaking the heartiest support, guaranteeing the bonds up to $450,000, permitting the entry of building materials duty free, exempting the property from all taxation for a period of years, and granting it special privileges in the selling of wines and liquors.

The growth in tourist business since the hotel was opened has been surprising. Some of the steamship companies have been co-operating by providing for the entertainment of their passengers in the hotel during the time they are in port. It is a notable fact too that the passengers in other lines, which have not granted this privilege, have mainly broken the monotony of the journey by stopping at the Hotel. When it is remembered that these steamers are carrying anywhere from fifty to seventy-five round trip passengers from New York and Boston and Halifax, it is evident that this amounts to a considerable item of business.

Tourist Agencies Interested

It is a notable fact too that the travel agencies are beginning to list St. John's on their tours. Recently Mr. Quick, the manager, was notified by the Miners Transportation Company of Baltimore, one of the largest of such agencies, that they had scheduled their first tourist trip to Newfoundland, and would make the hotel their headquarters. They stated also that they could have materially added to the party if the accommodation on the boats had been available.

It is to be remembered that the hotel was opened for custom before anything was completed, and conditions, during the early months, could not be said to have been the best. Yet the hotel showed an operating profit for the first of the year of over $5,900.

Making Winter Profit

It is fairly obvious that the hotel could be made to show a moderate profit during the tourist season, but that season is comparatively short, and could not hope to bear the whole burden. The satisfactory showing is all the more satisfactory because of that. It has been achieved by careful and thoughtful management. The effort has been made to have the hotel a social centre for the community. It has its dinner dances twice a week, that are largely attended. In addition it caters to every possible form of entertainment or service that comes within its scope. Conventions, dinners, dances, showers, wedding banquets. As an instance, during the present month of July, a notably dull month in such affairs in the Hotel business, the Newfoundland hotel has scheduled six big functions, running up to over 200 people. It is the headquarters of the Rotarian and other similar organizations that hold their weekly dinners there.

Make it Winter Home

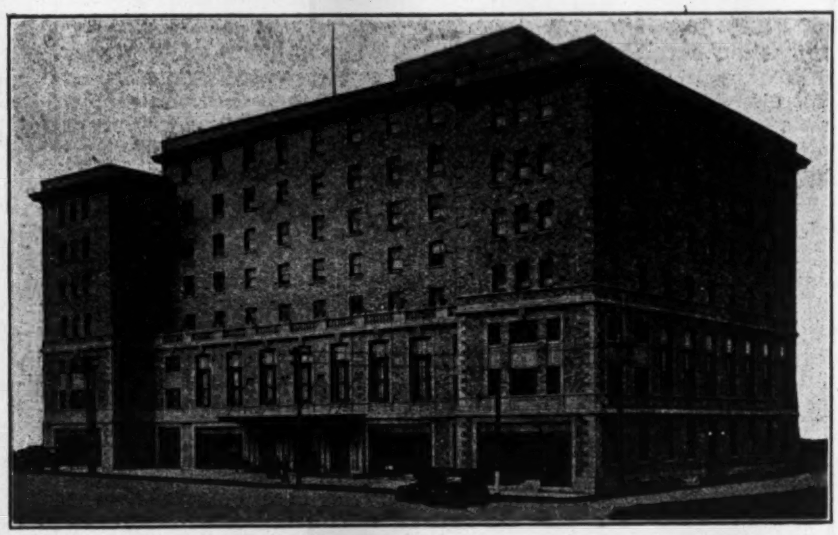
To assure a steady business during the winter months the hotel has bidden successfully for the citizens of St. John's to make it their winter home. As many of these citizens have beautiful summer places beyond the city, this service provides an admirable arrangement. In this way the hotel has been able to carry on a highly satisfactory winter trade.

Every effort too, has been made to encourage the visitors from the outposts to visit the hotel and special inducements have been offered to them.

Frank Quick, who came to the Newfoundland from the Ritz Carlton, Montreal, has surrounded himself with a highly efficient staff.

It would surprise the average visitor to know, that he started the hotel with only seven trained assisstants including four chefs. The rest are native to the city, and have been entirely trained in this hotel, and the quality of the service is one of the finest tributes to the adaptability of the Newfoundlander.

The financing of the hotel is still in the transition stage. Bonds and common stock are to be floated in the near future to take care of the hotel's indebtedness, and Mr. Quick is confident that in the course of the next couple of years the growing income of the hotel will be ample to meet these charges and show a satisfactory profit.



Newfoundland Hotel, new and palatial

TOURISTS SERVED LIQUOR AT MEALS

Or It May Be Purchased in Bottles at Government Stores

Ales, wines and spirituous liquors of all kinds can be purchased at the stores of the Government Liquor Control Board, three of which are operating in the City of St. John's. The quantity of spirituous liquors to be purchased by any person of 21 years and upwards is limited by law to a bottle, containing 24 ounces, per day.

Any section of the country comprising a population of 5,000 persons may secure permission to establish a branch liquor store by petitioning the board.

Permits are granted by the board to the owners, operators or managers of hotels, tourist hotels and clubs to keep and sell bottled liquors, wines, beer, etc., for consumption at meals. The same rule applies to railway passenger trains and passenger steamers plying throughout Newfoundland. The same privilege is also accorded any person in charge of a banquet but the law does not permit the sale after half past eleven o'clock at night.

Newfoundland Foundry Makes Giant Castings

This is the only foundry in the Island, and it is fittingly equipped to meet any demands that may arise, even for the largest type of castings, from a unit of ten tons down.

The present company has been in operation since 1886, and prior to that a parent company was operating on somewhat the same lines for some sixty years previous.

The company maintains its own pattern plant, and is prepared to undertake work of every description of general casting, such as furnace bars for ship boilers, and indeed for every requirement of drydock railway and commercial and industrial needs.

The staple business of the company however, is the manufacture of all types of stoves, for heating and cooking, and galley stoves for steamers and fishing boats. They manufacture in all some 140 varieties of stoves, and maintain at all times a complete range of parts that can be supplied at a moment's notice. The company deals entirely in a wholesale way, operating through some 20 retailers located in different sections of the Island. They have not made any great bid for business beyond this field. The plant and reserve stores cover a wide area, as is necessitated by the wide range of work, that includes as well as the above general machine castings, soil pipes and fittings, and cast iron house furnishings.

Sir M. G. Winter is President of the company, and Mr. S. Will Cornick is the manager.

Fishing Abounds on Island

A Famous Salmon Pool.

St. John's Nail Co. Makes Complete Range

The first nails were made in Newfoundland in 1885, but it was not until 1883 that the industry was aggressively fostered. In that year the St. John's Nail Manufacturing Company, Limited, took over the original nail factory, and erected the present building, and started operations on a large scale. The first directors were:—Messrs. George Gear, Charles Bowring, Moses Munroe, Robert Thornburn, C. R. Ayre, James Browning and James Angel.

The company manufactures a complete range of nails for all purposes, the stock representing eleven varieties and twenty-one sizes of wire nails, and two varieties and sixteen sizes of cut nails. In addition the company makes standard nails of various lengths, and special types to order. The company's products can challenge comparison with anything manufactured outside the country.

Supremacy in Sport Fishing

Above, a typical string of salmon caught at Salmonier, Newfoundland. Right: A thirty-six pound salmon caught at Harry's Brook, on the West Coast.

Tourists Bring in Guns, etc., under Deposit Form

When tourists, anglers and sportsmen arriving in the colony bring with them cameras, bicycles, anglers' outfits, trouting gear, fire arms, and ammunition, tents, canoes and implements, they are admitted under the following conditions:—

A deposit equal to the duty shall be taken on such articles as cameras, bicycles, trouting poles, fire-arms, tents, canoes, and tent equipage. A receipt according to the form attached is given for the deposit and the particulars of the articles are noted in the receipt as well as in the marginal cheques.

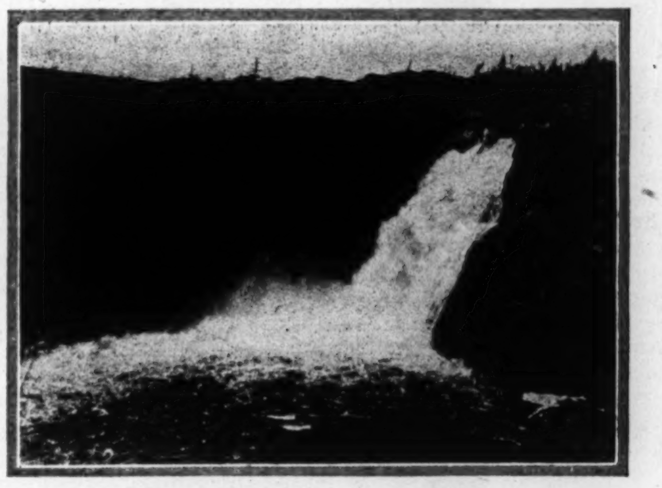
Upon the departure from the colony of the tourist, angler, or sportsman, he may obtain a refund of the deposit by presenting the articles at the port of exit and having them compared with the receipt.

No groceries, canned goods, wines, spirits or provisions of any kind will be admitted free and no deposit for a refund may be taken upon such articles.

Standard Manufacturing Now Makes Paints

The Standard Manufacturing Company, Ltd., was incorporated in 1903, and is still under the original presidency of Hon. Sir M. G. Winter. The company was originally started for the manufacture of soap, blues, candles and related lines. Of these virtually the only remainder is the candle industry. In 1904 the company started to manufacture oiled clothing, hats, leggings, covers, etc., and in 1906 its activities were further extended to include the manufacture of a complete range of paints and shellacs. Since that time "Matchless" paint has grown to be a recognized and highly respected name. The plant is equipped with the most modern of paint making machinery, as well as for the manufacture of its own tin containers. Raw materials are largely procured from England, with lesser supplies being derived from Canada and the United States. The plant has a staff of upwards of 50 employees.

Waterfalls To Provide Power



Smoky Falls on the Grey River.

Make Wide Range of Boots and Shoes

Newfoundland is peculiarly well served by boot and shoe manufactories, notable among these is the Newfoundland Boot and Shoe Manufacturing Company. This company manufactures everything in the shoe line from a baby's shoe to fisherman's top boots, and miners' boots. Under the Avalon and Monarch Brands they produce some hundred and fifty odd lines in a wide range of sizes.

As has been said, these lines represent not only boots that are made for rough service, but the finest lines of lady's footwear as well in all the most modern styles and finishes.

This company has been established for fifty-one years, and has an extensive and modern plant employing upwards of 120 operators.

Purity Factories Has Complete Candy Line

In Purity Factories, Limited, Newfoundland has one of the most extensive and up-to-date confectionery plants to be found anywhere. It is equipped with many of the most modern machines for quality production and sanitary handling of its wide range of commodities. It employs some hundred operators, who work under the most favorable operating conditions. Under its present management the company is doing a large share of the island's business. Its travellers cover the country from coast to coast, and the business is showing a steady and hartening progress.

The range of products manufactured is very extensive, including all types of cadies, from the cheapest to the highest grade of boxed goods, and including a wide range of chocolate bars. The quality of its products are enabling this company to compete successfully with similar products manufactured in the largest centres of Canada and the United States.

In addition to its confectionery operations the company has a large department devoted to the manufacture of all types of aerated beverages, fruit syrups and vinegar.

The company also manufactures an attractive range of jams and marmalade, also fruit sugar.

Newfoundland Clothing Has Big Turnover

The Newfoundland Clothing Company has a splendidly equipped and well lighted factory, and does an extensive business throughout the Island. One special feature of its business is its custom tailoring department, under the supervision of an expert designer. This business has been developed into very extensive proportions. It is, of course, however, secondary to the general business which includes the manufacture of ladies costumes in tweeds and velvets and a complete line of men and boys' suitings, overalls and shirts.

The company manufactures some 1,800 garments a week, and is equipped to materially increase this production in the near future. It sells entirely through the wholesale trade, and it keeps its travellers constantly on the road visiting the out ports, from whence much of the business is drawn. The company has one of the best appointed and best lighted factories to be found anywhere.

The Newfoundland Boot & Shoe Manufacturing Co. Limited
ST. JOHN'S, NEWFOUNDLAND

Buy
AVALON
and
MONARCH
Brand Shoes

*When Better Shoes are Made
We Will Make Them*

Steers Limited
St. John's, Newfoundland

General Importers
and
Commission Agents

We have a well organized selling staff covering the entire country and wish to open negotiations with Canadian Manufacturers and Exporters who may require Newfoundland representation.

Two Million Five Hundred
Thousand Acres of Fee
Simple Mining Lands

Reid Newfoundland Co. Ltd.
St. John's, Newfoundland

Canadian Mining News

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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BASE METAL FINDS WEST OF SUDBURY RANK IMPORTANT

Trans - Canada President Brings Back Details of Important Ore Bodies

OPERATION STARTS

Maurice Summerhayes Examined Large Holdings of Engineers Holding Co.

Large mining operators are reported to have engineers and scouts in Sudbury basin and the area west and much new activity is being looked for. The report that a new nickel corporation will soon make its appearance has aroused much talk but so far no inkling as to just what is going on in this regard has been forthcoming. Gradually properties secured on new finds reported are coming to light and these indicate a big exploratory effort under way.

C. Lorne Campbell, Toronto engineer and president of Trans-Canada Dev. Corp., has just returned from Schrieber where he went to examine the two groups of holdings of his company, and outline the work to be done before diamond drilling is launched. The company has two gangs busy on surface work on the properties, one a large pyrrhotite showing and the other lead-zinc.

The latter centres around the old Zenith property. Lines of communication are opened up and the area can now be reached readily from Selim, west of Schrieber. Present work, Mr. Campbell says, consists of benching, shipping and clearing ore bodies, in preparation for locating the diamond drill holes which it is proposed to put down. Over a length of 1,500 ft. or more, Mr. Campbell says, there are numerous showings of ore in place as well as shallow openings where high grade ore has been extracted. Scattered around 4 or 5 of these openings are from 20 to 30 tons of high grade, while near-by to the former operation there is 2,000 tons of good grade ore and in an old broken down shed about 45 tons of high grade is stored.

Possibilities Good

Mr. Campbell says the amount of clean ore on surface and the frequency of the occurrences, indicates that the property has great possibilities at depth. The report of Dominion Geological Survey says, ore from this property assayed 54.26% metallic, and an average gave 45%. Mr. Campbell says the geology is very favorable for the discovery of ore or extensions on the line of strike which extends for possibly three miles. There is a big fracturing and schisting paralleling this mineralized belt which adds to the attractiveness of the situation. Samples of the high grade ore which Mr. Campbell brought back are very massive.

Samples of the company's pyrrhotite showing show massive metallics, pyrrhotite with a large spattering of chalcopyrite, nickel and iron pyrites and carrying gold and silver values. Mr. Campbell says this is a contact deposit, and the massive ore occurs over big widths and lengths on surface. A crew is busy stripping and trenching, and diamond drilling will be started in August. This will be pilot drilling.

There are other important areas in this section that are attracting attention as well, notably Big Duck Lake.

Serpent River Basin

Further east, almost direct north of Massey, in Serpent River basin. Engineers Holding Co., Toronto, has taken up extensive holdings by staking and options and these have been reported on by Maurice Summerhayes, M.E., Toronto. This company is controlled by Toronto, Hamilton and Kitchener businessmen.

Mr. Summerhayes sampled various

(Continued on page 35)

Gull-Kirkland Mines
LIMITED
(No Personal Liability)
Property situated in the
KIRKLAND LAKE CAMP
Diamond drilling is giving important results.
For particulars apply
W. B. Cumming & Co., Limited
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Toronto
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Northern Ontario Building
TORONTO
Phone Adelaide 2324

Amulet Very Much In Limelight Lately

Amulet shares have reached close to the $3 mark at the time of writing. Much gossip is going the rounds in regard new finds on the property, that undoubtedly the $3 would have been passed long ago only for the shorts. It was a determined contest between the bulls and the bears, and at last the latter were bested. There is much interest attached to Amulet's effort—at mining. It was known that there was one large flat lying shallow ore body, but the downward continuance proved hard to find. Now the theory is advanced as a result of new and deeper drilling, that the ore is in layers and that some five of these layers have been proven to exist. This will increase ore reserves materially.

M'INTYRE EARNED 47½ CENTS FOR RECENT QUARTER

Production Shows Material Falling Off — Handling Development Ore Likely

McIntyre earnings for the first quarter ending June 30 show a material decline when compared with the same period of 1926. Per share earnings before depreciation figure out at 47½ cents for the 1927 quarter compared with 50 3/5 cents for the 1926 quarter. McIntyre paid 25c. per share in the quarter.

Figures issued by the company show that the decline in recovery was just under $70,000, while costs were $3,000 greater. This brought earnings from operations down by $72 000. Other income held about the same while tax provision was lower because of the lower value of the output.

There is a sound explanation of the McIntyre showing. The mine is in the transition stage from a medium-sized operation to what is expected to be a large one. Undoubtedly the mill tonnage has held up so that the decline in earnings will undoubtedly be found in the grade of ore treated. This would indicate that an extra large portion of the mill feed has been drawn from development work and a lesser amount from the stopes in the mine.

The figures:

	—First Quarter—	
	June 30, 1927	Last Year
Gross recovery	$894,167.39	$963,799.99
Cost including develop.	522,641.88	519,979.35
Operating earnings .	371,525.51	443,820.64
Non-oper. rev.	24,085.85	25,990.04
	395,611.36	469,810.68
Less: Provision for taxes for period.	16,351.82	20,256.70
Net earnings before depreciation	$379,259.54	$449,553.98

B.C. MINES SUPPORT TACOMA'S SMELTER

Tonnage Amounts to Half Total Which Guggenheim Plant is Now Receiving

VANCOUVER, B.C.—In the discussion in connection with the suggested establishment of a smelter on the B.C. coast, the statement has been made that enough ore goes from British Columbia to the smelter at Tacoma to keep that plant busy, and that the ore being exported for treatment would be sufficient to keep a smelter busy in this province. Figures have been received from Tacoma and also Trail, which show the amounts of ore treated by the smelters at those points.

In 1926, 541,000 tons of ore were treated at the Trail smelter of the Consolidated M. & S. Company, a small amount of this being received from mines in adjacent of the States.

In 1926, approximately 450,000 tons of charge were treated in the smelting department at Tacoma, and 9,000 tons of blister copper was refined each month. This smelter is owned by the American Smelting & Refining Co., which has large mines of its own.

Ore and concentrates shipped from British Columbia in 1926 to Tacoma was 210,321 tons, nearly half of the total amount treated at that plant. Details are:

	Concentrator Tons
Engineer Gold Mines, Ltd...	160
Premier Gold Mines, Ltd. ...	19,997
*Hidden Creek (Granby)	33,271
Belmont Surf Inlet	2,352
Hedley Gold Mining Co. ...	1,456
Britannia M. & S. Co.	77,739
Total	134,975
	Cull Ore Tons
Premier Gold Mines, Ltd. ...	74,361
Emancipation	2
Total	74.363
	Dry Ore Tons
B.C. Silver	962
Esperanza	18
Planet Mines, Ltd.	3
Total	983

Total shipments 210,321 tons.

*Temporary condition only, concentrates now being treated by the smelter at Anyox, B.C.

MAY LEASE NOBLE FIVE MILL

Leadsmith Mines is negotiating for the use of the Noble Five mill, near Sandon, B. C. The Noble Five, owned by the Dunsmuir estate, has been operated by leasers until recent months.

Hollinger's Surface Plant at Kamiskotia

No official statement has been given out by Hollinger Consolidated Mines as to values secured in the limited number of diamond drill holes put down—Some have guessed that copper and gold values are about equal. Sometime around Oct. 1 Hollinger's work may reach a point where a definite statement by the management will be possible. The water tank on the above picture straddles an ore zone. A great deal of activity is going on in the section. Hollinger, Noranda, McIntyre, Kamiskotia Exploration, DeSantis, Duprat, Corona and other concerns are in the field.

Hollinger's Big Operation in Kamiskotia Looks Like Large Tonnage Gold Venture

Shaft Sinking Has Started and 200 Men Will Soon be Employed

WHOLE AREA BUSY

Noranda and McIntyre Will Evidently Have an Electrical Survey Made

TIMMINS.—In the opinion of some engineers the formation in Kamiskotia makes the Hollinger venture on the Jamieson group look more like a gold than copper operation. The ore in the shaft is said to be a silicious acid porphyry to rhyolite heavily mineralized with iron and copper pyrite. The surface is a sheared zone of bands of greenstone rholite and other mixtures. They say that it looks like a very large tonnage gold mine.

Sinking of the shaft by power is about to start and it is expected that shortly Hollinger will have some 200 men at work. The new headframe and power house have been completed and the shaft is down 20-ft. by hand steel.

Noranda have a crew of men at work with Frank Carneagie in charge. They are evidently preparing for an electric survey, as they have cut cross sections through the bush at intervals about every 300 feet apart. McIntyre are doing likewise.

Silver-Lead Find

Bob Edleson has a small crew of men at work sinking on a zinc-lead vein in the north-east corner of Turnbull Tp. which is possibly an extension of the Jamieson Silver-lead find in the S.W. corner of Jamieson township. He reports 51 per cent. zinc with lead and silver. He has a nice set of wall tents situated on Xmas Lake for the men. Very little work is going on as the weather is bad and of course the flies. You cannot do work unless you apply to the recorder for a permit, and you must sign the papers and notify the chief fire ranger when you go in, and must notify them every month, and you get frequent visits from them; the 30 days work on each claim must be done within three months from the time the permit is issued.

Good Surface Showings

Assay returns on surface showings have just been received by Kamiskotia Exploration Syndicate, which are interesting, and are:

No. 1 sample: Mineralized zone 300 feet wide, gold $4.13. This vein assays copper as well as gold.

No. 2 sample: Quartz vein eight feet wide on gold $0.83.

No. 3 sample: Pyrrhotite vein ten feet wide solid metal; gold $0.31. Lead, .99 per cent. Zinc, .675 per cent. Copper and silver not assayed.

No. 4 sample: Grab sample from dump of quartz vein on hanging wall of No. 3. Gold $0.62.

No. 5 sample: Quartz vein about nine feet wide on Claim No. 13564; gold $7.03.

These values are considered good when the size of the bodies is considered. The structure and matrix is similar to that of the Hollinger-Jamieson. This is the same vein that gave $2.48 gold and 45 per cent. copper from a grab sample in the winter. The lead, zinc, gold, assay, and another gold assay of $7.03 are interesting. The former should run well in silver and copper as it contained chalcopyrite and the lead will carry silver.

Phenomenal High Grade Not New on the Premier

A Vancouver paper had quite a sensational story of the recent high grade find on Premier, Portland Canal area. Editor of Portland Canal News went to check it up. His report said:

"The management said the only reason for the report was the fact that the company has been mining high-grade ore in one or two of the stopes, and that the presence of these ore bodies was known. While it is conceded that these are of particularly high-grade, yet they are nothing new to the Premier. Their width, 20 feet, would be considered phenomenal in most mines, but in the Premier these high-grade ore bodies are not uncommon,"

Kamiskotia Miners Work Nights; Escape Day's Terrific Heat

A letter which accompanied the attached article from Timmins says:

The weather was so hot we nearly cooked. They reported 118 in the shade in Timmins. We would be on the rock exposures for about half an hour and then beat it for a swamp to look for water. In other words we would do about 30 minutes work to 120 minutes drinking swamp water and trying to get enough courage to start again, the big companies worked their men nights, as it was impossible to work in the day time. When I was at the Hollinger—Jamieson some men were stripped naked carrying water, and others were at the end of a pipe line spraying themselves with water.

100% Bonus to Pool for Year

Montreal Rouyn Shareholders Get Chance to Double Their Stock Holdings

Montreal Rouyn Mines Shareholders are being offered 100% stock bonus if within a limited time they pool their holdings for one year.

It is one of the most interesting pooling offers seen in some time. No mention is made of where the bonus stock is coming from, but the presumption is that vendors shares are being used for this purpose. Besides, though pooled, the shares can be sold or assigned—subject to the pooling agreement.

The directors say that promising developments on the company's holdings have led them to plan an extensive programme of work and they want funds to do so. They point out that by pooling, shareholders will double their holding and make it possible to prove up the properties. Montreal Rouyn has 3 groups, 200 acres, near Amulet and Laval in Rouyn Tp., 320 acres Dufresnay Tp., 200 acres Boischatel Tp., near U. S. Smelting and Arntfield. Some very good showings have been opened up.

Shareholders to win the 100 per cent. bonus must deposit stock by July 25, says the letter.

BONUS TO GO OUT WITH NEW HARVIE

One Share of Present Will Net 5 New and 2 Bonus Shares

It will likely be after Aug. 1 before the exchange of shares of Harvie Mining Exploration Co. is made. Shareholders will get five new for one old and at the same time the bonus of shares in the Exploration company will be distributed, so that for each share of the present Harvie, there will be five new Harvie and two shares of the Exploration operation. Harvie Mining Exploration Co., the present operation, has 200,000 shares of no-par value. The new company will be Harvie Mining Co. with 1,000,000 shares of no par value. The distribution to present shareholders of the new stock on the proposed basis of five (5) new shares for each share now held, was approved by shareholders.

Steps to give effect to this are under way and the date for the exchange will be shortly announced.

In order to effect an even distribution the bonus of stock in the Exploration Company of Canada will be based on the new shares in the ratio of two (2) Exploration with five (5) new Harvie.

B. C. Mine Dividends Close to Ten Millions

British Columbia mines in 1926 distributed close to $10,000,000 dividends over $3,000 increase, when compared with 1925. The figures:

	1925	1926
Cons. M. & S.........	$3,238,054	$5,284,700
Premier	1,600,875	1,600,437
Howe Sound	467,189	1,736,183
Silversmith	125,000	200,000
Sally	59,400	
I. X. L.	21,600	
Bell	88,000	48,510
Belm.-Surf. Inlet	312,500	437,500
Crow's Nest Pass Coal Co.	372,690	372,690
Clayburn Co.	20,000	44,000
Whitewater Mines ..		25,000
Rosebery Surprise ...		25,000
Others	15,800	23,300
Totals	$6,320,608	$9,747,270

DOME EARNED 98½ CENTS PER SHARE IN FIRST HALF OF YEAR

Tonnage Was Lower But Profit Per Ton Stood Up Well

Dome's tonnage for first six months of the year did not maintain the high level established last year, the figures being slightly better than the 1925 level. Average gold content per ton was maintained at a perfect level with last year while costs were only a fraction of a cent higher. This kept operating profit on a level with that of 1926, but there was quite a drop in other income.

Before allowing for depreciation, mine depletion and taxes, the six-month figures show a better earning per ton but an average per share identical with that of 1926 or 97 cents per share above the dividend requirements of the company. This will allow, after ample reserves provision, a substantial sum being added to surplus. The figures:

	Year 1925	Year 1926	6 mos. 1927
Tons milled	530,200	555,700	266,700
Value	$4,366,026	$3,940,090	$1,943,686
Average per ton	8.55	7.28	7.28
Costs	$2,368,611	$2,315,800	$1,114,538
Per ton	4.47	4.17	4.18
Oper. profit	$1,997,415	$1,624,290	$829,148
Other income	176,132	251,514	110,754
Total net	$2,173,547	$1,875,801	$939,902
Net per ton	4.10	3.38	3.52
Net per share*	2.28	1.97	.98
Less:			
Dom. tax	120,538	90,966	48,790
	$2,053,009	$1,784,835	$891,112

* Before depreciation or depletion and taxes. Estimate net per ton and share compiled from company's figures.

FARMER FINDS 300 LB. SILVER FLOAT

Half Boulder Which He Tried to Move Is Believed To Be Silver

A 300-lb. boulder, half native silver, has been found near Verner, Ont., in North Bay district. It is egg shaped, is about twenty inches by eighteen, and its volume is placed at between $1,000 and $1,500, conservatively $1,200.

The find was made by Medcric Beauperant on his farm in Caldwell, south of Verner on the line of the C.P.R. In pursuance of his farm operation the farmer set about the removal of the boulder which rested in a patch where for years two generations of the family had picked blueberries. Its unusual weight attracted him, and merely curious he brought it to the attention of others. Authoritative opinion gave half native silver with a little cobalt. This was confirmed by John Dresser, M.E. consulting geologist of C.P.R.

Such boulders are rare occurrences, the last reported being during the early days of the Cobalt camp. Offers have been made to purchase the boulder for its value in silver, and it is probable it will be retained for exhibition purposes. An effort will be made to make it a feature of the mineral exhibit of the British Empire Congress in Canada this fall.

The discovery has aroused great interest among the mining camps, and experts are coming from all directions to view it. The farm on which the boulder was found is about 100 miles south of Cobalt, and the speculation is whether it came from Cobalt or Gowganda or from some structure in the intervening distance. Claims are being staked in the area.

Mr. Dresser investigated the find while in the area investigating the reports of gold discoveries at Ville Marie which he regards very favorably. He states there are many more prospectors in the Algoma district than for many years, some representing good companies and others intelligently pursuing the work on their own account.

PIONEER OFFICIAL TO CLEARWATER

Harold Wittingham, of Pioneer Mines, has gone to Clearwater, Ont., to look over the company's property there.

FOUNDATION IN FOR MANITOBA'S FIRST REAL MILL

Central, Man. Mines Being Prepared for Production This Fall

SUIT OVER CLAIMS

Sherritt-Madole vs. Fasken-Earle Case Now Before Court—Oil Well Finding Given

Central Manitoba Mines is pushing ahead on the opening up of stopes, to prepare a substantial tonnage for completion of the mill. General activity on a large scale is reported in Manitoba Mining areas by Manitoba's Industrial Development board.

Central Manitoba Mines has completed current work for the mill and meanwhile underground operations have been confined almost entirely to preparations for stoping. many raises having been driven. The east end raise from the 250 foot level was put up 42 feet; the width was 6 feet, averaging $8.00 over that portion of the vein which was exposed. A raise on the west end showed $25.11 over an average width of 4½ feet. On the Tene 6 a shaft is being sunk on the Rogers vein.

Eldorado Mines

The hoist and compressor at Eldorado Mines, east of Central Manitoba Mines, are being installed and the head frame erected. Sinking on the east shaft will commence as soon as power is available.

The Telfer-Long Lake Syndicate have a crew of men doing exploration work. The group lies between the property of Central Manitoba Mines, Ltd., and the Solo group, owned by the same company, and consists of the claims known as the Edna's and the Golden Horn's, forming a group of seven, or approximately 300 acres. The main vein has been stripped for a distance of 1,000 feet.

Men and supplies have been shipped in by aeroplane to the property of the Stormy Lake Syndicate and camps are being built.

The Manitowan Exploration Co. has sent in a crew to prospect some of their holdings, notably the Tene 1, and the Eva claims.

On the San Antonio, underground work is consisting of cross-cutting north at the 125' level and drifting on the same level. Some surface exploration is being carried on.

Salt Lake District

On the Redstone group No. 2 and 3 veins have been stripped for a distance of 2,000 feet.

At Selkirk Mine, 3,000 feet of drilling having been completed underground, the diamond drill has been pulled up. The balance of the contract will be carried out from the surface.

The government road from Wanipigow (Hole) Lake to Quesnel Lake is being graded at the north and south ends. Over one mile of pole track has been installed between Long Lake and Manigotagan Lake. Travel on the Hole River has been improved considerably by the cutting out of the portage east of English Brook Cabin. Four bridges were built on it.

The bi-weekly aeroplane service into the mining district is being well patronized. A flight of one hour accomplishes a distance which last year required anywhere from two to four days.

Northern Manitoba

Shareholders of Bingo Gold Mines, Ltd., have received from the directors a balance sheet of the company as at Oct. 31, 1926. The figures indicate that on that date the company had £14,091 in the bank and on hand. £686,714 were received from sale of stock. Diamond drilling commenced on April 9 of this year but no results are as yet available.

The lawsuit in connection with the Sherritt-Madole property is now on. J. F. Gordon, Carl Sherritt and Richard Madole are plaintiffs and Ellis P.

(Continued on page 35)

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NEW DISCOVERY ON WOMAN LAKE FILLS OUT A LARGE AREA

Find Rounds Out Big and Rich Section in New Camp

Details of another important Woman Lake discovery have been sent out by Jos. Beaumont in charge of surface exploration work on Woman Lake Goldfields Development which adjoins Henry Bros. property on the east and Jackson-Manion on the north. He states that he has picked up the extension of the main vein on the Henry and for three-quarters of a mile he has opened the vein by a series of trenches. It runs 20-ft. wide. The same vein on the Henry is traced 1¼ miles. Free gold has been found in 5 places on the property and in 4 different veins. The best find is on the east side and seems to be an extension of a view from the Jackson-Manion. It is stripped for 150-ft. and strikes 30 degrees east of north into low ground. Over a width of 3-ft. it gives good values.

Both Henry Bros. holding and Jackson-Manion group are under option to N. A. Timmins.

This rounds out a series of important finds in a block, Jackson-Manion, Medieval Rock, owned by Ontario Woman Lake, Henry Bros., Woman Lake Goldfields, which is the largest single holding in the area, being 28 claims, the Powell group, optioned to a Toronto group, the Duncan and the North Group of Ontario Woman Lake.

Jackson-Manion Deal

R. Alpine Macgregor, editor of the Patricia Herald, published at Sioux Lookout, and himself an old-time prospector, in discussing the Jackson-Manion says that while the time is not ripe to divulge the nature of things between the Timmins and Jackson-Manion interests, certain statements may be printed without fear of treading on corns.

"To date, Mr. Timmins has spent $75,000 in the preliminary investigation of commercial values, not a dollar of which has been wasted under Manager Thompson's aggressive campaign. It remains for the majority holders of the Jackson-Manion interests to decide whether the extension be granted or not. A few of them (inclusive of the Harcourt group which has recently acquired a slice, as well as holding an option on another eighth) are strongly in favor of treating Mr. Timmins considerately—giving him a return fully equal to his already large expenditures. In so doing, this would necessitate the framing of a new deal.

Work Proposed

"If the extension is given, Mr. Timmins is immediately prepared to sink two shafts to a depth of 150 to 200 feet with essential drifting. The plant had all been arranged for—the money in the bank to go ahead. Plans had been made to have machinery transported by water to Goldpines to await suitable ice conditions from there to the property.

"Mr. Timmins should be allowed every consideration. He is the foremost gold mine operator in the North American Continent to-day, and perhaps the biggest individual operator in the world."

Jack Lindsay, operating in East Clearwater Lake, says he was much impressed by the character of the vein which C. B. Dawson is developing for the Pioneer and Huronian. On the adjoining property controlled by the Hollinger interests he saw a vein which,—though smaller than the main break on which so much work has been done,—ran north and south over 5,500 feet and as straight as a die. On both properties gangs were hard at work. A road was being cut through from the Hollinger dock at East Clearwater, over which one of the Jackson-Mason drills was to be transported to Mr. Dawson.

Bathurst Group

At the Bathurst group, Narrow Lake, 25 men are engaged in systematic test pitting. A large blue quartz vein carrying visible gold everywhere, had been traced across on claim.

At the Price-Logan, camps were being rapidly built. The Daimpre Syndicate had uncovered three veins to date. Conditions on the Narrow Lake Company's ground gave great encouragement. A rumored new gold discovery north of the Bathurst has been reported — somewhere between the Leonard property and the Brown. Messrs. Ruggles and Ruse were said to be interested in the new find.

On the Lingrada property, adjoining the Bathurst and Dunkin, Mr. Lindsay expects to begin serious development by the middle of August. On the west side of the Dunkin, he believes he has picked up the extension of the Dunkin ore body. Owing to flooded conditions nothing further can be done until either a long spell of dry weather helps the situation or pumps are employed.

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Higher Platinum Values in Sudbury Nickel Ore

Ontario is one of the world's main sources of platinum and kindred metals at the present time, and these are produced as by-products from the nickel-copper ores of Sudbury. The total production last year of these platinum metals was 19,495 ounces, valued at $1,559,262. It is interesting to note that the price of platinum at the present time is over $100 per ounce, as compared with the fixed price of $20.67 per ounce for gold.

		1925 Platinum,	1925 Palladium, Rhodium, etc.	1926 Platinum,	1926 Palladium, Rhodium, etc.
Produced by Canadian, United States and British Refineries from Canadian mattes and residues	Fine oz.	8,692	8,288	9,471	10,024
	Value $	1,027,477	648,969	919,349	640,178
British Columbia placers....	Fine oz.	6	......	50	......
	Value $	715	......	4,258	......
Total	Fine oz.	8,698	8,288	9,521	10,024
	Value $	1,028,192	648,969	923,607	640,178

Imports into Canada and Exports of Platinum, 1925 and 1926

	1925 Quantity Oz.	1925 Value $	1926 Quantity Oz.	1926 Value $
Imports—				
Platinum retorts	.....	41,006	......	40,028
Platinum wire, and in bars, strips, etc.	.....	157,914	......	138,433
Platinum crucibles	.....	39,685	......	8,960
Total	.....	238,605	......	187,421
Exports—				
Contained in concentrates	404	42,489	520	54,747
Platinum, old and scrap	655	76,423	396	40,185
Total	1.059	118,912	916	94,932

MINING STOCK QUOTATIONS
Week Ending July 19

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close July 19	Sales for wk.	Range 1926 High	Range 1926 Low	Range 1927 High	Range 1927 Low
Abana	.	....	....	70	70	70	600	....	....	75	20
Aconda	.	....	....	20	17	20	12200	....	....	45	16
Allied M.	.	....	....	3.20	3.15	3.15	400	....	....	5.51	2.70
Amal. Cop.	.	....	....	....	....	....	....	....	....	4.59	3.01
Amos	.	....	....	....	....	....	....	....	....	56	15
Amulet	.	....	....	2.99	2.45	2.85	749290	2.89	.90	2.99	.85
Algonquin	1	....	....	3½	2⅛	3	74000	6¼	1¼	5¼	2
Apex	1	....	....	....	....	....	....	6	2¼	3½	1
Area	1	....	....	.52	.44	.48	206175	1.55	.21	1.95	.25
Argo. Con	1	....	....	31	28	48	170650	67	18½	59	25
Atlas	1	....	....	4	3¼	3½	19000	5	1⅜	7	2
Archean	.	....	....	....	....	....	....	....	....	18	17
Ajax	1	....	....	15	10	13	3000	....	....	39	6½
Bard	.	....	....	....	....	....	....	....	....	1.59	.35
Baldwin	1	....	....	1¾	1½	1¾	11000	6⅛	1	4½	1
Barry Holl.	1	....	....	34	28½	31	104050	1.00	.21	1.00	.25
Beaver	1	....	....	1.10	1.05	1.09	5800	.99	.51	1.22	.5½
Bellellen L.	1	....	....	....	....	....	....	23½	20	23½	3½
Bidgood	1	....	....	11½	10	10	15250	.9⅜	4½	14½	5
Boischatel	.	....	....	5	4	4½	13500	....	....	27	3
Boston Creek	1	....	....	....	....	....	....	7½	2½	1	½
Bourlamaque	1	....	....	....	....	....	....	1.45	1.02	1.53	.50
Buckingham	1	....	....	3¼	3	3	16500	7¾	2	9½	3
Bunker H.	.	....	....	.90	.90	.90	10	....	....	1.00	75¾
Can. Lorrain	1	....	....	14	12	13	2800	93	57	72	10
Capitol S.	1	....	....	22½	19½	20¼	19600	48½	24	34	15½
Capitol R.	.	....	....	15	14½	14½	10200	43	26	54½	12½
Cen. Manitoba	1	....	....	1.63	1.50	1.60	134800	....	....	1.90	1.07
Castle Tre.	1	....	....	.81	.77	.78¼	17900	1.85	.91	1.27	.75
Chaput H.	1	....	....	9	8¼	8¾	5000	22	3⅛	13¾	4⅜
Clifton	1	....	....	1	1	1	500	6½	1	3½	1
Col. Kirk	1	....	....	2¼	2	2¼	8000	6¾	2	6	1⅞
Coniagas	5	....	....	3.75	3.50	3.75	1050	4.85	3.00	4.40	3.20
Coniaurum	5	....	....	3.65	3.00	3.60	4092	4.60	3.00	3.65	2.80
Cons. Smelter	25	10+5	1.08	232	223	231	1127	265	177¾	264	215
C. W. Dome	1	....	....	6¾	5	6	16364	29½	14	19	5
Corona	1	....	....	12¼	10	10	73900	37½	20	37	10
Copper Hill	.	....	....	58	56	57	30100	....	....	58	47
Comm. Mines	.	....	....	....	....	....	....	....	....	1.50	.71
Crown Res.	1	....	....	10½	10	10	7400	24⅛	8	15¼	7
Coast Copper	.	....	....	15.00	14.25	14.25	125	....	....	22.00	14.00
Davidson	1	....	....	....	....	....	....	3	1½	3	1
Destor	.	....	....	....	....	....	....	41	40	43	40
Dorion	.	....	....	....	....	....	....	....	....	4.00	1.02
Dome Mines	None	$1	13.33	7.60	7.15	7.50	4360	20.00	8.00	10.85	6.85
Don Rouyn	1	....	....	27	23½	23½	38131	61	25	56½	17½
Duprat	1	....	....	7½	6¼	7½	5860	35½	8½	34½	6¼
Dubec	.	....	....	1.12	1.03	1.08	42375	....	....	1.12	.35
Dom. Lead	.	....	....	1.51	1.44	1.47	11000	....	....	1.51	1.05
D. Kirk	.	....	....	....	....	....	....	....	....	2¾	1½
Dunwell	.	....	....	....	....	....	....	....	....	1.51	1.50
Eastern Metal	.	....	....	13.00	13.00	13.00	175	....	....	13.00	10.00
Everett	1	....	....	2½	2	2¼	3500	12¼	3¾	5½	2
Fiske	.	....	....	9	9	9	1000	16	12	30½	5
Fisher, Que.	1	....	....	97	59	97	48010	....	....	97	50
Goldale	1	....	....	31	26½	29	105500	43	24	31	20
Gold Hill	1	....	....	29½	25	26	42227	73½	25	54	25
Gold Reef	1	....	....	1	½	1	7000	5	1	2½	½
Gifford	1	....	....	1	1	1	1100	....	....	1¾	1
Gladstone	10	....	....	....	....	....	....	....	....	29	26½
Grover Daley	1	....	....	10	8	10	55600	32	18	37	8
Gold Ore	.	....	....	1.37	1.25	1.33	6070	....	....	1.37	.90
Harvie Exp.	None	....	....	14.40	14.00	14.05	2907	....	....	16.10	12.00
Hillcrest	100	6	10.00	....	....	....	....	65	55	65	60
Hillcrest, pref.	100	7	8.23	....	....	....	....	83	79½	87	84
Hill Top	1	....	....	10	10	10	19500	31¼	20	24	10
Hollinger	5	26	7.16	18.50	18.10	18.15	6760	21.00	16.75	22.65	18.00
Howey Gold	1	....	....	65	61	61	3000	....	....	75	42
Huron	.	....	....	....	....	....	....	....	....	1.09	1.02
Holyrex	.	....	....	....	....	....	....	....	....	5½	5½
Indian	1	....	....	7¼	6	6	3200	14½	2¾	11	4
Int. Nickel, c.	$25	2	3.27	63	60¾	61¼	11960	46	32¼	75	38
Jay Copper	.	....	....	....	....	....	....	1.10	.73	1.26	1.04
Keeley	1	24	23.76	1.01	1.00	1.01	5320	1.90	1.39	1.66	1.00
Keora Mines	1	....	....	3¼	3	3¼	12500	22	11	12½	3
Kirk. Hunt	1	....	....	15	13½	14½	37400	34	8½	35	10
Kirk. Lake	1	....	....	1.41	1.36	1.36	82450	1.44	.69	1.54	.82
Kamisko	.	....	....	9.50	9.40	9.50	350	....	....	9.75	7.62
Kirk, G.B.	.	....	....	92	80	92	28490	....	....	92	75
Lake Shore	1	40+10	2.48	20.25	19.95	20.10	3355	16.15	9.50	21.10	15.40
Lakeside L.	1	....	....	1⅛	1⅛	1⅛	7000	10	1⅛	6	1
Laval	1	....	....	22	20	21¼	82800	45¼	21	55	19½
La Rose	1	....	....	6	5	5½	6700	39	4	12	3½
Lorrain, C.	1	....	....	1¼	1	1	11000	15	2	3¼	1
Lorrain, T. L.	1	....	....	.70	.70	.70	200	1.10	.30	.86	.25
Mentor	.	....	....	12.50	12.50	12.50	335	....	....	12.50	12.00
McDougall	.	....	....	36	30	32	43100	....	....	50	17
Marclay	1	....	....	....	....	....	....	35	30	42	34½
M'tchatell	.	....	....	42	34	40	99900	....	....	42	30
Macassa	1	....	....	20½	19	19½	11200	43	25	37	19
McKinley	1	....	....	15	14	14	4400	26	8½	18	11
McIntyre	5	20	3.94	26.00	25.25	25.35	4206	29.75	22.70	27.50	24.00
Millcrest	1	....	....	5½	5	5	5500	21½	3½	6½	4
Mining Corp.	5	25	8.30	3.24	3.05	3.10	6100	4.45	2.60	3.65	2.90
Moneta	1	....	....	10½	10½	10½	1000	18	11	14	8¾
Mont. Rouyn	1	....	....	12	12	12	2000	60	13	33	10
N. A. Dev.	.	....	....	1.40	.90	1.00	29800	....	....	2.10	.90
N. A. Lead	.	....	....	....	....	....	....	1.75	1.50	2.75	1.00
Newray	1	....	....	32	32	32	1600	45	31	34	28
Night Hawk	1	....	....	6	5	5¼	39100	17	3¾	10½	4½
Nipissing	5	6	5.08	5.95	5.50	5.90	4576	9.25	4.95	10.30	5.35
Noranda	None	....	....	23.65	22.00	22.40	25410	24.75	12.00	25.00	19.95
Noranda, Rights	.	....	....	90	71	73	46564	....	....	90	70
Ophir	1	....	....	1	1	1	1000	4¼	½	4⅜	¾
Ontario, L.C.	.	....	....	1.30	1.26	1.28	3700	....	....	1.30	1.03
Osisko	.	....	....	.43	.35	.40	3700	1.94	1.05	1.75	.35
P.L. Cobalt	1	....	....	4	4	4	2600	32	14½	18	3½
Porc. Crown	1	....	....	5	4¼	5	1300	12	4	11	4
Prec. Metal	.	....	....	....	....	....	....	....	....	22.00	20.00
Pioneer	1	....	....	81	76	76	9150	1.22	.66	1.18	.83
Premier Gold	1	32	15.23	2.10	2.07	2.10	12210	2.75	1.83	2.30	1.86
Preston	1	....	....	7	3½	5	93100	9⅞	4	7	3
Potter Doal	.	....	....	15¼	12	12	80200	....	....	65	12
Power & Mines	.	....	....	....	....	....	....	....	....	1.70	.75
Rouyn C.	.	....	....	....	....	....	....	....	....	4.28	2.50
Rouyn	1	....	....	1½	1½	1½	1000	9	1⅛	5	1
Rouyn, Que.	1	....	....	....	....	....	....	4⅛	1¼	4⅜	1
Ribago	1	....	....	36	22	30	110550	....	....	87	13
Siscoe	.	....	....	....	....	....	....	....	....	25	12
South Keora	1	....	....	....	....	....	....	35½	5	64½	6½
Stadacona	None	....	....	19	17	17¼	93250	51	40	55	15
St. Anthony	.	....	....	26½	26½	26½	2500	....	....	37	10
Sylvanite	1	....	....	3.60	3.25	3.25	4660	....	....	4.30	2.60
St. Law. Zinc	.	....	....	....	....	....	....	....	....	82	72
Trojan	.	....	....	7.95	7.50	7.85	8150	....	....	7.95	4.00
Teck Hughes	1	10	1.18	8.55	8.10	8.45	30118	5.55	2.65	8.60	5.35
Timiskaming	1	....	....	....	....	....	....	15¼	6	7	5
Thomp. Krist	1	....	....	....	....	....	....	3½	1	1	½
Tough Oakes	1	....	....	31	27	28¼	119800	66	36	62½	26
Towagmac	1	....	....	4.00	3.10	3.85	56544	6.10	3.15	5.75	2.85
United Cop.	.	....	....	3.00	3.00	3.00	2400	....	....	5.32	3.00
Vic. Silver	1	....	....	3¾	2¾	3¼	6000	96	3⅛	14	2¾
Vickers	1	....	....	25	25	25	4500	1.22	.13	1.52	.25
Vipond	1	3	....	.80	.75	.78½	24335	2.02	1.49	1.75	.75
Wakenda	1	....	....	....	....	....	....	2¾	1	5	1
Wasapika	1	....	....	....	....	....	....	4	1	2	1
West Tree	1	....	....	2¾	2½	2¾	6000	4	2	4	2
Wettlaufer	1	....	....	3	3	3	1100	10	2	4¾	2
West Dome Lake	.	....	....	11½	11½	11½	500	....	....	13½	11½
Wright Har.	None	20c.	3.32	6.05	5.65	6.02	36235	....	....	6.65	5.50
Vac. Gas	.	....	....	11	11	11	1500	....	....	26	3

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CUT 57-FT. COPPER ORE IN DRILLING

Marriott Mines Testing Out at Depth—Massive Chalcopyrite Surface Showing

E. H. Hampson of firm of Plant & Hampson, Ottawa just visited the property. He says several hundred feet of trenching and stripping have been done and test pits sunk, one being 20 feet deep and 15 feet square, showing massive chalcopyrite which runs approximately 30 per cent. copper with gold and silver. When he left, the diamond drill had been set up and was working with a view to cutting the orebody at depth. The opinion of the engineer is that the ore is dipping into the lake on the shore of which the showing has been found. The lake is about 6 feet deep, and about 5 miles long by half a mile wide, of which Marriott Mines hold about seven-eighths There is another showing of chalcopyrite about 500 feet away and work is being carried on in this now.

First diamond drill hole on Marriott Mines, situated on Ontario-Quebec boundary, has been completed. No official statement has been issued regarding results as it is intended to complete the drilling program first. It is understood, however, that the first hole, put down at an angle of 45 degrees, cut 57 feet of massive ore. Second hole has already started and will be more vertical and should cut body nearer surface. Drilling is to test out at various depths huge surface showing of copper ore.

Black Flies Playing "Hob" This Summer

This is a bad year for flies and mosquitoes in the north. It has been a wet season and the recent heat wave has egged the pests on. They are just as bad all over.

Rather an interesting way of describing conditions in the Narrow-Woman Lake area is taken by the editor of the Patricia Herald. He says:

"She's wicked with fly," said Jack Lindsay, on his way out of Toronto. "Constant rains, flooded state of rivers and lakes—the worst summer I've seen in the bush. Let a man just lift moss and up they come in thousands—millions of them—all kinds, species, assortments, with latest fashions in kickers, biters, stingers. No sir, I'm going out until the fly season is over. I wouldn't let my men work in that, no, not if the claims were roofed with heaven's gold." He shuddered, sat down, bent over, exposed a lumpy neck, but in a minute had forgotten the pests in relating what he had seen in the new goldfields.

Better Ore Is Opened up on the Coniaurum

Reports from the north are that in opening up the extension or faulted section of No. 7 vein on the 1,500-ft. level Coniaurum Mines, Porcupine, has opened over 300 feet of $20 ore, quite the best shoot in the mine to date. It is expected that announcement will soon be made of plans to open the mine up much deeper. McIntyre results indicate that the best chance on Coniaurum is at some horizon deeper than the present workings.

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CHANGE METHOD OF COMPUTING VALUE OF METAL OUTPUT

Dominion Bureau of Statistics Felt Its Ontario Values Not True

Canada's copper and other base metal production did not show up as well in the Dominion report of 1926 as in the previous year. This despite the fact that 1926 production was materially above 1925. The discrepancy is due to the fact that Dominion Bureau of Statistics, which collects the figures has changed its method of pricing. The change was made owing to a feeling that on the previous basis of valuation, copper and nickel values were not a true estimate of the output and that the price level and method of compiling, would for instance in case of copper, put a price on the Ontario output out of keeping with what was actually received. How this worked out is shown in the following table:

	1925			1926		
	Lbs.	old price Method	New price Method	Lbs.	old price Method	New price Method
Lead	253,590,578	$23,127,460	$20,163,960	284,029,981	$23,148,443	$19,262,242
Zinc	109,268,511	8,328,446	8,693,403	109,268,511	11,878,417	11,996,601
Copper	111,450,518	15,649,882	14,843,995	139,758,716	19,279,714	17,386,867
Nickel	73,857,114	....	15,946,672	65,714,294	....	14,374,163

There has been no change in method either in respect to quantities or values except in the province of Ontario; while it may be suggested that the production of copper from Trail ought to be measured at the refinery rather than at the smelter it is not considered desirable to make this change at the present time, owing to the fact that the copper refinery in question operates only intermittently, whereas the copper smelter has a more continuous record. There may be some disposition to discuss the deductions that ought to be allowed in connection with shipments of copper ores for export, but it is thought this possible change would not be of great moment and it is therefore passed over at the present time.

In computing Ontario's production of copper the procedure will be as follows:—

Copper content of converter copper made at Port Colborne, the value for this output being computed pro rata according to the income from sales of copper during the year (as reported by the International Nickel Company of Canada);

Copper in matte exported from the smelters of the Sudbury area valued at an arbitrary figure agreed upon between the Bureau of Statistics and the Ontario Department of Mines;

Copper in concentrates from gold ores less 26 pounds per ton of concentrates valued at the monthly average New York price for electrolytic copper;

Copper paid for in concentrates from silver-cobalt ores exported at its sales value as reported by the shippers;

The foregoing changes have been made in this report.

Gold—Gold in bullion produced and the recoverable gold in all other Canadian mine products valued at the standard rate of $20.671834 per fine ounce.

Iron Ore—Export tonnages and sales values.

Lead—Dominion Bureau of Statistics practice up to the end of 1925 was to evaluate the recoverable lead from all sources at the average price prevailing on the Montreal market during the year.

Examination of the returns made to the Bureau shows that the sales of lead in ores from the province of Quebec and to the extent of about 80 per cent of the lead sold from Trail are made on the basis of London quotations; approximately 20 per cent of the lead sold from Trail is marketed in Canada.

Lead from Ontario ores finds its market in Canada.

Lead ores exported from British Columbia and from the Yukon to points in the United States are subject to a duty of 1½ cents per pound of lead content (lead in base bullion takes a rate of 2⅛ cents per pound.) The difference between the London and New York quotations is approximately equivalent to the duty charged on each pound of lead imported into the United States.

In view of the foregoing facts the following procedure for the evaluation of lead from Canadian ores has been adopted in this report:—

(a) Ontario—Galetta sales, quantity and value.

(b) Recoverable lead in ores exported from Quebec, Yukon and British Columbia as well as lead in base bullion made at Trail valued at the average London quotations during the year as given in "Engineering and Mining Journal," the English quotations being converted to Canadian funds at par ($4.86666).

Molybdenite—Shipments in terms of MoS_2 at their sales value.

Nickel—Prior to 1925 it was customary in Dominion reports to compute the nickel production of Canada as the sum of the quantity of nickel contained in matte made at the Sudbury smelters and the nickel contained in smelters and the nickel contained in smelter products from silver-cobalt ores; the value was computed at the average New York market price for virgin nickel. But as all Canada's nickel is derived from Ontario ores, and as the method used by the Ontario Department of Mines differed from Ontario ores, and as the method used by the Ontario Department of Mines differed from Dominion practice, a conference was arranged during 1925, with a view to harmonizing the statistics on nickel. As a result of this conference it was agreed that both offices should compute the quantity and value of nickel production as follows:—

(a) Nickel in matte exported from Canada valued at an arbitrary figure agreed upon between the two offices-(representative of the value of nickel in matte);

(b) Refined and electrolytic nickel produced at Canadian refineries valued at the average price obtained for such products sold during the year;

(c) Nickel in nickel oxide or salts sold from Canadian smelters and refineries at its total selling value in the form in which it was sold;

(d) Nickel contained in speiss residues exported valued at the same price as allowed for nickel in matte.

This method has been followed in making up the nickel figures in this report.

Precious Metals, including Platinum— Recoverable metals in smelter products at their sales value to the producer.

Silver—Silver bullion produced and the recoverable silver in other smelter products, and the recoverable silver in Canadian ores exported, at the average New York price for the refined metal.

Zinc—Refined zinc produced at Trail and the recoverable zinc in concentrates exported valued at the average monthly price quoted in London, exchange conversion being made at par.

Coal—Output tonnage evaluated pro rata according to income from sales.

Other Non-Metallic Minerals, Clay Products and Structural Materials—Shipments during the year at their respective sales values.

Machinery for Paymaster's 1,500-Ton Mill Delivered

E. F. Walker & Co., Boston, who have financed Premier Paymaster, announce that ten cars of mill machinery arrived in Porcupine recently for the Paymaster and a start will be made right away on installing it. This equipment was purchased in Nevada and together with other mill units purchased elsewhere, will bring the capacity of the mill to 1,500 tons a day. An addition is to be built to the east of the present plant. Officials expect that 1,500 tons a day will be handled some time in January next.

Some alterations are being made in the present plant which will result in increasing capacity in the late summer from 200 tons to 450 tons.

BASE METAL FINDS WEST OF SUDBURY RANK IMPORTANT

(Continued from page 33)

showings and gives quite a detailed analysis of each. His conclusions picture the situation in a rather promising way. He says:

"With the exception of the gold vein on the Payton property which I do not consider worth spending further money on, all these properties have showings of copper minerals in a general geological structure which appear favorable for the formation of commercial ore bodies. I do not consider that any of the present showings are themselves commercial ore, but it is my opinion that out of the five groups of properties there is a good mining chance of developing ore of commercial grade.

Lay Out Work Carefully

"The program of exploration work should be laid out in steps so that after each step is finished a decision may be made either to make the next step forward or drop the property. For this reason, in my opinion, there should not be any large cash payments on account of purchase until the preliminary or first program of work has been carried out.

"It may be stated that the showings, at present, are small, but this is to be explained perhaps by the fact that no extensive work has been done to explore the showings.

"Perhaps the most appealing factor in analyzing the situation is the similarity of the geological structures with such producing camps as Sudbury, Cobalt, South Lorrain and Gowganda, where the keewanawan intrusives have been the source of large ore bodies.

"The general policy of exploration that should be followed, in my opinion, to follow down the best showings, this presupposes that the surface be first fully explored and mapped; then, the further underground work be laid out either by sinking or diamond drilling as may be thought best.

Engineer in Charge

"A resident engineer should be in charge of the operations who would have the necessary equipment to carry out the above recommended work in the shortest time. An assay outfit and portable compressor should be part of this equipment so that values can be ascertained quickly as the work proceeds.

"Summarizing the situation as a whole, it may be stated that you have a general geological structure of keewanawan intrusives injected into Huronian sediments with showings of the usual copper mineralization. These conditions in other sections of Ontario and elsewhere have been productive of commercial ore bodies where intelligently explored. It is my considered opinion that these mineralized showings are worthy of active exploration and justify considerable expenditure under intelligent supervision. I endorse the advisability of taking working options on the basis of small cash payments with ample time to do the exploratory work."

Mr. Summerhayes report shows that the area has been fully reported on as to geology by Dr. W. H. Collins, director of the Dominion Geological Survey, and he says many other geologists have studied the area. The acreage which the company has under option is very extensive and the exposures are numerous. The list of assays shows, outside the Payton, which Mr. Summerhayes disposes of as follows:

Caribou group, copper, 2.78%, gold 40c., selected sample, not for sorted ore, copper 8.58%.

Reynolds, chipped sample across face, 2.28% copper.

Whitefish, specimen sample as above, copper 21.52%.

McFadden, copper 2.26%.

SOME NEW BODIES OPENED ON FISKE GROUP IN QUEBEC

Progress Report of Manager Reveals Some Rather Interesting Conditions

E. H. Orser, manager Fiske Gold Mines, in his latest report on operations on the company's Quebec holdings says he has opened up additional interesting showings of sulphides. His report:

GROUP I: "Work upon the southeast corner of this group by way of trenching and rock work has shown the presence of a number of showings of chalcopyrite like in character to that sent down. These samples assayed high in copper. Forced to discontinue work along the strike of No. 2 vein owing to heavy overburden and excessive flow of water in the trenching, but before this we uncovered more patches of sulphides. Moving up the hill to No. 3, trenching was carried on and we have found a similar condition exists here also and we have a nice show in this trench.

"West of the camp site, work upon a greenstone band of about ten feet in width opened up a lense of quartz three feet in width with chalcopyrite in it and splashes of the latter have been found in another parallel band lying about a hundred feet north.

"We are sinking a 6 ft. x 6 ft. pit upon No. 2 vein where the first show was secured. Samples of this ore sent to Ottawa look attractive.

"The impression gained with the trenching on these greenstone bands is that there are patches of sulphide of copper scattered through them all, but we have not as yet picked up any continuous belt. The object of the pit is to get some idea of what conditions are with a little depth. I am inclined to believe that we will be forced to drill for further information."

Values are Present

GROUP III.—The stripping and trenching on the lower claim, No. 344, has opened up a splendid body of quartz. This is now being crosscut and sampling is under way. Drilling and blasting to open up fresh surfaces for sampling with some trenching along the extension westward completed the work for the month. A grab sample of mineralized vein gave 40 cents in gold. This is not much, but shows there are some values present.

This belt of quartz has been traced to the west boundary of the claim. The problem in hand is now to find an ore shoot. If our systematic sampling reveals consistent values, I shall be prepared to recommend drilling.

CLAIM No. 343.—Several veins upon this claim have been sampled systematically, but the results have not been over 80 cents in gold. They run like this: .40, .60, .80, .20, .40, .20 per ton. The eighty cent assay came from a five inch vein about the centre of the claim.

GROUP IV.—Prospecting has been under way here with two men and a belt of rhyolite has been traced from the west boundary to about the centre of the claim. We are now trying to locate the contacts with adjacent rocks at or near which it may be that gold values and segregations of copper sulphides be found. A grab sample of mineralized rhyolite gave traces of gold.

Have had a lot of rain and bad weather this month and some bad storms. Good labor is scarce and very independent. Railroad grading is now going on near the bottom of Group I."

Mining Inquiries

Harvie Mining

Without obligation on your part, do you consider Harvie Mining Exploration Co. a reasonably safe buy, for a small investment?

We look upon Harvie Mining as an attractive speculation that is being carefully and soundly handled.

Gold Belt Cos.

Does position of Ottawa Rouyn differ from other concerns in the Gold Belt Merger?

Ottawa Rouyn Co. is in the same position in regard to exchange in the Quebec Gold Belt stock as the others interested in the amalgamation.

We do not tax enquiries, and I have referred the fact to our circulation Department that you sent in a dollar extra, and suggested that they send you a copy of The Survey of Mines. They will write you. If you do not want the Survey of Mines, after you see it, you might return it to us and we will remit the dollar.

Bourke Red Lake

Would you give me the officers of Bourke Red Lake mines and also some idea of where their properties are located?

Officers of Bourke Red Lake Mining Development are: Director W. W. Marshall, bond dealer, Montreal, Que., H. O. M. Morrison, mining prospector, Fort William, W. G. Bourke, miner, Red Lake, Howard J. Wilson, ice dealer, Hudson, Que., Harold Lawson, architect, Montreal, and Geo. A. Fraser, accountant, Montreal. Property consists of 52 mining claims between East Bay and Red Lake known as the Smith Morrison group. It is understood that they have made some spectacular gold discoveries.

Weepah, Nevada, Camp Now Punctured Bubble

"At Weepah, Nev., the population has gradually declined until at present it is estimated there are about 500 people in the district. The original high-grade strike has so far proved to be no more than a small pocket, although further development may show it to be more important."

The above from Engineering and Mining Journal, shows another bubble burst and the public "stung." Canada was flooded with prospectuses telling of Weepah's fabulous wealth — ore averaging 40 and 50 per cent. gold—and incidentally offering shares.

ONTABEC GROUPS OPENING UP WELL

Property Under Option to Harvie Co. Considered the Most Promising

Ontabec Mines, Ottawa, has issued a progress report to shareholders as a result of a recent visit of officials to the Quebec field in which the company's holdings are located. This concern has a large acreage, and a number of its groups have been purchased or optioned by operators. The report says

Most promising of Ontabec holdings is the Thompson situation optioned to Harvie Mining Co. Surface showings are impressive and an ore body fourteen feet in width has been uncovered. When lateral work is carried into the Thompson ground some interesting results are anticipated. Ontabec Limited shares to the extent of a 15 per cent. royalty in all ores taken from the Thompson, and the Ontabec Company also has an option on 4 per cent. of the total stock of the Harvie Company.

Stadamac Company is operating Ontabec Group No. 5 on Rouyn-Dufresnoy line. A large area of mineralization has been uncovered, containing pyrite and chalcopyrite, and assays show a copper content of over 22½%. This showing will be diamond drilled this summer. Ontabec is to receive $50,000 for this group and 250,000 shares of stock in the Stadamac Co. Stadamac are operating four other areas in Rouyn district.

Hecla Copper

Hecla Copper Co. is concentrating on Ontabec Groups 3, 4, 6, north of Noranada. An electrical survey of this area has recently been completed and reports from the Lundberg company will shortly be made public. Ontabec Company holds a large interest in the Hecla operation.

Beverley Mines

Beverley Mines, Limited, is working four Ontabec properties, the most promising being group No. 8, adjoining Granada, where Robert Gamble is sinking a shaft, down now approximately 200 feet.

FOUNDATION IN FOR MANITOBA'S FIRST REAL MILL

(Continued from page 33)

Earle, Alex. Fasken and W. L. Heidenrich are the defendants. The suit is brought for a mining property bought by Heidenrich with money supplied by Earle and placed in the name of the latter. The plaintiffs allege the property should belong to the syndicate under the terms of a certain agreement made between the parties. Earle alleges, however, that the claim belongs to him and contests the right of the plaintiffs to any interest therein.

The terms of the deal were revealed in the course of the suit. A number of claims in the Kississing Lake district were staked by the plaintiffs and optioned to Earle. If the option had been taken up Earle would have been called upon to pay $295,000 for 80 per cent. of the holdings and $500,000 for the remaining 20 per cent. Later there was an agreement that certain other claims were to be purchased from outside owners, the plaintiffs alleging they should all go into the property optioned. It is this agreement which has caused the suit.

DECEPTION PRACTICED

The report by C. C. Ross, chief inspector of the Dept. of the Interior, on the Grandview "oil" well has been made public. Mr. Ross says in part: "After carefully weighing all the information furnished, documentary evidence secured and the facts obtained by opening up the well, there is no alternative to arrive at but that the operations at the well were deliberately planned to deceive and to defraud, and I am firmly convinced that the officials of the Irro Gas and Oil Co. Ltd. and Grandview Oils, Ltd., were deceived." These companies are now drilling a second hole some 200 yards from the original well and expect in that way to settle the question as to whether or not there is an oil field at Grandview.

MINING MEN COME

More than fifty delegates to the International Mining Congress to be held this year in Ottawa have expressed their intention of visiting Newfoundland following that conference and making some study of its mineral possibilities.

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Speculation is Indispensable in Development of Mining

Buying Securities for Speculative Profit Helps the Industry

"Speculation is an inseparable, integral and indispensable feature of all business and trade and to attempt to abolish it would be Utopian and impossible," E. H. H. Simmons, president of the New York Exchange, told Detroit Stock Exchange. He drew a sharp distinction between speculation and gambling.

Speculation consists in buying or selling property with a purpose of making a profit between the purchase and selling price, and meanwhile accepting the inevitable risks which attend such an operation. Gambling, on the other hand, consists in wagering sums of money on some future fortuitous event, without any necessary relation to the acquisition or disposal of property. This is the essential distinction between speculation and gambling which has in most cases been adhered to in the law, and it is perfectly sound from an economic standpoint.

"Superficially, of course, gambling and speculation seem very much alike. Both processes involve the assumption of risks in the hope of making profits. But the risks assumed in speculation are inherent risks attending the ownership of property. On the other hand, the risks of gambling are unnecessary and artificial risks, which are created simply for the purpose of deciding wagers of money."

Referring to these risks of ownership of property, Mr. Simmons remarked that it is peculiar that "although practically everyone realizes the importance of this element of risk and uncertainty in the practical conduct of business affairs, so few people appreciate its necessary relationship to the constantly changing values of security prices on the stock exchanges." The risks and uncertainties in modern manufacture, he added in this connection, must be imparted to the securities of manufacturing companies and securities of modern business must fluctuate in value so long as modern business itself fluctuates. Speculation in securities, he declared with emphasis, is "simply an effect, not a cause, of the speculative tides which constantly sweep through our whole business world."

Discussing speculation in its personal and individual aspect, the speaker asserted that all individuals are not equally suited to engage in speculative business and characterized as "foolish" the man who engages in speculative operations, either in securities or otherwise, when he cannot afford the financial losses which such transactions make possible. A lack of balance and proper sense of proportion and responsibility sometimes brings into speculative transactions a recklessness which takes the place of the steady and constructive work the economic order requires, he added. Security markets, he went on, did not create speculation which had been going on for hundreds of years in all sorts of property which created the need for organized markets to "handle the business in an orderly equitable and systematic manner." The stock exchanges, Mr. Simmons continued, neither approve nor disapprove of speculation as such. They simply recognize that speculation is an "inevitable and omni-present economic force, that it performs an absolutely vital economic function, and that speculative transactions in the exchanges must be handled, and handled in an adequate way, if the exchanges are to serve a useful business purpose."

Mr. Simmons traced the growth of the United States and of business and the strides of science and invention, all of which, he declared, owed a tremendous debt to speculation. The great railroads, mining fields, manufacturing industries, have all depended upon the process of security speculation for their growth and development, he declared. concluding:

"If capital in adequate amounts for these things is continually to be found, speculation in securities is not an accidental accompaniment, but an indispensable causal factor of the process. The stock exchanges of the world, despite the age which many of them have already attained, have only begun to perform for the public the economic services which they are able to perform. Stimulated by the driving force of scientific discovery but tempered by scientific research, steady, public education and the time-tested regulations of the organized security markets, speculation in securities will, in the future, as in the past, prove a gigantic economic power in man's triumph over the world of nature, and the establishment of ever higher spiritual and material standards in the daily lives of everyone."

Requires Persistence

A great many small investors are ready to put their money into the mining business, and it is advisable to encourage such investments and to guide them into channels profitable for the investors and fruitful for the industry. In the first place, it should be recognized that investment in prospecting should be looked upon as a thing requiring persistence. To share in sending out a party for one season only is not an investment but a shot. The syndicate should be organized to do business permanently or for a considerable number of years. The money put in then becomes an investment with just as much chance of return as if invested in manufacturing, or any other business.

The syndicate should be composed of men who can work together without friction. The prospecting should be directed by a manager, an experienced engineer, who also acts as treasurer. For his services, he gets a share in the proceeds. The prospector is also a partner, having a share in any find made, in addition to his salary. The total expense for a season's operation can be limited by giving the prospector a monthly sum, out of which he is to pay all expenses including salary for himself and assistant, but not including expenses that come on when a discovery has been made. These expenses vary according to circumstances, such as the number of claims staked and recorded. The best prospectors do not stake claims until they have made a discovery warranting it.

One Mining Company Pays One Per Cent. of All Canada's Freight

A good example of what the development of Canada's mining and metallurgical industry means to the Dominion, is one item in the expenditure of Consolidated Mining and Smelting Co. of Canada.

Its gross production of metals last year amounted to $37,000,000 and it paid out in freight charges $3,600,000 which is one per cent. of that of the whole Dominion.

ALDERMAC MINING CORP. TO NO BONUS FOR W.-HARGREAVES

Wright-Hargreaves for the quarter has declared 5 cents a share. Some expected a bonus as has been paid on other occasions, but it is believed that the directors are setting up a strong cash position so that they will be no difficulty in maintaining the level established.

PAWNEE LOOKS INTERESTING

Pawnee Kirkland, in Lebel Tp., Kirkland Lake, will soon be opened up on the 550 ft. level. It was quite interesting on the 125 and 250 ft. levels. Only a station was cut at 375. The vein gave good surface values for a length of 200 ft.

ONTARIO MINE, LARGEST OF KIND IN WORLD, IS LITTLE HEARD OF

Craig mine, Renfrew county, Ontario, is the largest corundum mine in the world. Discovery of the deposit was made in 1876.

BEST COAL IN CANADA

The best coal in all Canada is to be found on the Peace River, British Columbia. It burns with a long blue flame and gives the hot heat of anthracite. This is the opinion of Douglas Lay, resident government engineer of the district of B. C.

Interesting Operation in South-East Porcupine

Furness Gold Mines operating S. E. of Dome Mines, Porcupine, is cutting at station at 125 ft. level. Many engineers like this section of the camp which has suffered from lack of a consistent mining effort, and they are watching the Furness. J. C. Houston is consulting engineer.

MARKET DESPATCH
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Mond Nickel Position Shown Quite Strong by Balance Sheet

Further facts from Mond Nickel's annual report are available from London papers. The coal-strike year, they point out, is reflected in reduced profit but dividends were unchanged.

Five years' earnings are as follows:

		1923	1924	1925	1926	1927
Debenture Interest	£	122,750	122,750	122,750	96,383	73,750
Net Profit	£	292,385	262,635	297,387	403,783	374,977
Preferred Dividend	£	175,000	175,000	175,000	286,370	262,500
Ordinary Dividend Less Tax	£	90,000	112,500	112,500	112,500	112,500
Ordinary	%	10	12½	12½	12½	12½
Reserves	£	......	......	......	*56,992	15,000
Carried Forward	£	65,268	40,403	50,290	48,212	33,189

*New issue written off.

Balance sheets for last three years are:

Assets—	1927 £	1926 £	1925 £
Mines, land, houses and smelting work, Canada (less depreciation)	1,893,474	1,850,666	1,661,949
Land, property and refining works, United Kingdom (less depreciation)	1,468,561	1,446,924	1,365,450
Shares, debentures in associated companies, etc.	1,820,145	1,626,685	1,106,582
Stores, tools, etc.	243,120	262,084	238,208
Ore, raw materials and products	1,809,766	1,740,323	1,668,746
Debtors and debit balances	408,695	481,076	404,126
Cash	54,894	69,321	21,718
Expenses of capital issue	......	56,992	......
	£7,698,655	£7,534,072	£6,466,479
Liabilities—			
Capital	4,650,000	4,650,000	3,400,000
5 per cent debenture stock	375,000	375,000	375,000
5½ per cent. debenture stock	1,000,000	1,000,000	(8%) 1,300,000
Loan from bankers	36,875	36,875	61,375
Accrued interest	167,000	......	126,000
Bills payable	570,580	505,000	381,788
Sundry creditors and credit balances	492,261	503,244	457,025
Reserve	160,000	160,000	160,000
Profit balance	246,939	303,954	205,290
	£7,698,655	£7,534,072	£6,466,479

Current assets total £2,516,475, against current liabilities including accrued interest and bank loan totaling £1,226,716. The total debenture and share capital is £6,025,000, made up as follows:

		Price	Yield % £	s.	d.
£ 375,000	5% first mortgage debenture stock	96	5	4	3
1,000,000	5½% mortgage debenture stock	101	5	9	0
500,000	7% cumulative preferred shares £1	25s.	5	8	0
1,250,000	7% cumulative preferred A shares £1	22s. 6d.	6	4	3
2,000,000	7% non-cumulative preferred shares	21s.	6	13	3
900,000	ordinary shares £1	42s. 6d.	6	2	0

The 5 per cent. debenture stock is redeemable at 105 on Jan. 1, 1935, or earlier on six months' notice. The 5½ per cent. debenture stock is repayable at par on May 1, 1957, by a 1½ per cent. cumulative sinking fund from 1927, with optional redemption at 103 after April, 1931, to April, 1936, and thereafter at 102.

Kirkland Merger Said To Be About Through

Negotiations are reported still under way to merge Goodfish, Shannon Goodfish and Providence on north belt of Kirkland Lake. Toronto Globe's northern correspondent says a deal is near. Goodfish has been dewatered and a new electrical plant is on order.

SYLVANITE ORE RUNS $8.33

Sylvanite's new mill in Kirkland Lake is treating 160 tons daily with the ore averaging $8.33 per ton. Most of the mill feed is from surface dumps. Soon 200 tons will be handled daily and a higher content is to be looked for when the dumps are cleaned up.

CONVERT GRANBY DEBENTURES

Only $318,000 of the 7 per cent. convertible debentures of Granby Consolidated Mining, Smelting and Power Co. are now outstanding, on the last report. The rest of the $2,500,000 issue has been converted into common.

WILL GO DEEPER

Conroyal Mines, Lebel Tp., Kirkland Lake, has met with such encouraging results on the 500 ft. level, that deeper operations are now proposed.

We Recommend
Kamiskotia-Rouyn Syndicate Ltd.
(No Personal Liability)
Shares at $10.00 Each.
To participate in new issue on pro-rata division of stock in the proportion of 40 to 1.
Maps and Prospectus on request.
BOGUE & COMPANY
180 St. James St., Montreal.

New Gypsum Plant is Mooted for Vancouver

British Columbia may have a new gypsum industry. J. E. Mitchell, Billingham, Wash., has secured control of what is described as one of the largest gypsum deposits in the coast province at Falkland below Kamloops and plans a plant at Vancouver. A gypsum plant at New Westminster draws its raw material from the same section.

NEW RIBAGO DISCOVERY

Massive ore that assayed 13 per cent. copper is reported to have been encountered on Ribago property in N. W. Boischatel Tp., Quebec. The body is said to show good width.

NORANDA HAS 2,168,562 SHARES OUT

It is understood that when Noranda's new financing is completed there will be 2,168,562 shares outstanding, leaving 81,438 in the treasury. In addition, there are $3,000,000 in bonds.

We Recommend
Ontario Red Lake Syndicate
We invite enquiries on all mining stocks
METROPOLITAN FINANCE CORPORATION, LIMITED.
610 Metropolitan Building, Toronto.

Duprat Lake Shore Synd.
For information re the above send to
A. D. Macpherson & Co.
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Investment Securities
347 Bay Street Toronto

We recommend
Makamic Mines Inc.
(No Personal Liability)
Mining Securities Corporation
Fiscal Agents
205 St. James Street, Montreal
LAncaster 0277

FISKE GOLD MINES
LIMITED

Aggressive Work Continues with Stimulating Results

WITH full instructions from the Fiske Board that forceful field work be carried on, Mr. E. H. Orser's newest progress report is both interesting and very encouraging:

He states: "On Group I, trenching and rock work on the southeast corner reveal the presence of chalcopyrite like in character to the high grade deposits previously reported (on No. 2 vein and which assayed over 30 per cent copper). On No. 3 vein, trenching uncovered a like condition and we have a nice showing in this trench.

"West of the camp site, work on a greenstone band 10 feet in width opened a lense of quartz 3 feet in width and containing chalcopyrite.

"We are now sinking a 6 ft. x 6 ft. pit on No. 2 vein where the first show was had" (this pit sinking is into good ore).

Summarizing the balance of the report—on Group III a splendid body of quartz has been opened up on Claim 344 and if systematic samplings reveal consistent values, diamond drilling will be recommended. On Claim 343, sampling of several veins on surface all show gold. The T. & N. O. Railway extension grade work has now reached near to the bottom of Group I; this is important.

The Fiske operation commends itself to the thoughtful investor.

For detailed information write

41-42 Carleton Chambers, Ottawa

Believe Sylvanite in Ore of Dunwell-Portland Canal

Gold values in Dunwell ore have been a great surprise, says Western Canada Mining News. There is a mystery in regard to them, but they are supposed to be in telluride, in the form of sylvanite, coating the sulphates of copper in thin flakes. The gold values of the concentrates almost equal those of the silver and lead combined.

Heavy Coal Imports from U. K.

Foreign coal shipments to Montreal since the beginning of the season are 261,113 tons of which 227,990 tons are British anthracite and 23,542 British bituminous. German coke cargoes, amounting to 4,461 come third, followed by Holland with 3,914 tons of anthracite. Shipments of European anthracite to Montreal this year already exceed the total for the whole of last year—176,090 tons.

CONTROL ALDERSON-MACKAY MINE

Aldermac Mining Corp. is the name given Noranda's subsidiary which will hold N. A. Timmins 65 per cent. interest in the Alderson-MacKay mine, which interest Towagmac sold and retained the other 35 per cent.

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Mezzanine Floor — Mount Royal Hotel
MONTREAL

Fifth Article in Series on the Finances of Our National Railways.

C.N.R. Can Not Earn Interest on Whole Debt

By RIELLE THOMSON.

One common criticism of the C. N. R. is that the railway does not issue an annual report as privately owned corporations do. This is not true. The Canadian National publishes each year its annual report for the fiscal period ending December 31. Shareholders in the road, —the people of Canada—can write at any time to the head office of the railway in Montreal and obtain a copy of the report for the last fiscal year which ended December 31, 1926.

The annual report published by the company is just as complete, and more complete, than those published by private organizations. Its two chief features are, of course, the balance sheet and the income statement.

The annual report of the Canadian National Railways, and in fact the entire bookkeeping and accounting system of the railway, is carried out under the rules of railway accounting laid down by the Interstate Commerce Commission of the United States. The rules and regulations of this commission, under which the railway operates its United States lines, are stringent. Thus the annual report provides much more information than does the annual report of an industrial corporation.

The Record of Earnings

Accompanying this article is a comparative record of the earnings of the C.N.R. since the road came under the administrative direction of Sir Henry Thornton. The three years' figures are taken from the annual reports of the railway.

Thornton's Record of Stewardship

	1926	1925	1924
Operating Revenues	$275,570,310	$253,708,774	$243,968,934
Operating Expenses	227,345,281	220,265,476	225,642,058
(a) Net Operating Revenue	$ 48,225,029	$ 33,443,298	$ 18,326,876
Tax Accruals	5,281,817	4,465,337	4,817,663
(b) Miscellaneous	33,153	90,179	361,949
Miscellaneous Taxes	66,211	73,486	60,278
Total Operating Income	$ 42,843,846	$ 28,814,253	$130,086,985
(c) Net Operating Income	812,518	x1,521,991	2,300,076
Net Income	$ 42,031,328	$ 30,336,244	$ 15,387,061
Interest to Public	39,701,896	40,966,558	39,487,973
Other Interest	133,051	116,968	385,527
Balance	$ 2,196,380	$10,747,282	x24,486,438
Interest due Government	32,090,453	31,450,382	31,271,043
Deficit	$ 29,894,073	x42,197,664	x55,757,481

xDeficit.

(a) Net operating revenue is worked out on standard basis adopted by practically all North American roads.

(b) These figures are the uncollectible railway revenues, less expenses, from miscellaneous operations.

(c) Non Operating Income includes income, less expenses, from such sources as rent of rolling stock, leased lines, income from securities, miscellaneous rents, etc. In 1926, the expenses on this account were larger than the revenues by $812,518.

The comparison of income accounts reveals clearly the betterment which has taken place in the earning power of the railway. It will be noted that while the total operating revenue has increased materially, the net operating revenue and the net revenue after all charges have increased more than proportionally to the increase in the growth of total revenue.

The point is worth making that certainly to no small degree have the improved net earnings been due to the savings which the management has been able to bring about through the consolidation of the component roads. Unfortunately, practically all these savings have now been effected and for the future, if it is to increase its net earnings, the railroad will have to look to other avenues in which it can reduce operating expenses.

Avenues All Exhausted

It is thought, though, that most of these avenues have already been exhausted, and if the Canadian National Railway is ever to meet its interest requirements in full, both to the public and to the government, it seems there will have to be a decided increase in its gross revenues. As far as can be seen at the moment, any increase in the gross, sufficient to allow the company to meet its interest due the government as well as the interest due the public, seems many years away.

Many misconceptions exist regarding just how much it costs the government to retain the Canadian National Railway each year. In 1926 it will be seen that, with the exception of the interest due by the road to the government, the Canadian National Railway met all their charges and had more than $2,000,000 to apply to the interest due the Federal government. This was the first year in which the railroad was able to meet all charges with the exception of interest due the Dominion. This interest due the government represents interest on sums lent by the Government since the consolidation for extensions to the system and for various other purposes. It includes also interest on bonds of the old companies now held by the government.

No Interest on Interest

The deficits which have occurred each year have been added to the total sums due the Government by the railway—but no interest is charged to the road in the ensuing year for interest on the total deficit. For instance, in the current year the income and expenditure account of the railways will not show an item of interest on the total $29,894,073 deficit of 1926.

If the Government began to charge interest, on unpaid interest, the total would be mounted to ridiculous heights.

In fact, in view of the manner in which the C.N.R. came into being, it is impossible to expect it to earn its fixed charges. At its birth, its funded debt was too large and it has never been allowed to pass in the ordinary way into the hands of receivers who would have scaled down the funded debt and the fixed charges in exactly the same way in which the funded debt of an industrial is scaled down when it is unable to meet its fixed charges. The usual procedure is for the bondholders to take stock in lieu of their bonds. The Canadian National was never allowed to do this; as a consequence, it can not be expected to earn its fixed charges. The improvement in earnings already achieved is a great deal better than many anticipated five or ten years ago.

Actual Cost of Road

Now to revert to the former question, namely the actual cost to the Dominion government of keeping the road. In 1924 it will be observed that the privilege of operating its own railway cost the Federal government over $24,000,000 in cash. In 1925 this was reduced to just under the $10,000,000, and the situation today is, and perhaps this is the real crux of the matter, that by operating the Canadian National Railway in 1926, the Canadian Government obtained $2,196,381 more than if it were not in possession of the road.

In other words, if the government's investment in the railway be regarded as a common stock interest, it will be seen that earnings applicable to such common stock in 1926 would have ammounted to $2,196,181—but for accounting purposes the Government prefers to include its equity in the the road as a fixed charge. The situation which exists today then is that finally the road is beginning to show earnings applicable to the immense investment on the part of the Federal Government—an investment which in the balance sheet is carried at nearly $2,250,000,000.

Books Are Not Cooked

A criticism of the C. N. R. crops up here. It is often said that the C. N. R. to put it badly—cooks its books and charges to capital account what other railways charge to operating.

Anyone and everyone is entitled and probably has their own opinion on this question, but whatever their opinion, it must take into consideration the fact that the C. N. R.'s books are audited by a reputable firm of chartered accountants of standing, that the system's books are kept in accordance with the standards and regulations of the U. S. Interstate Commerce Commission which are approved by the U. S. Government for the use of railroads in that country and finally that the accounts of the road are signed and passed on to the public by Sir Henry Thornton—in whom most big Canadian business men have confidence.

Show True Position

In many instances there is a very thin line between just what are operating expenses and what are capital expenses. Many other railroads endeavor to charge as much as possible to their operating expenses and to show as little as possible applicable to the common stock. It is indubitably fair to say that, unlike the private corporations, the tendency in the C. N. R. might perhaps lead towards capitalising certain charges which in private corporations might go into operating account—but this is an entirely different matter to stating, as so many do, that the C. N. R.'s books do not show the correct position of the property.

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NEW BURT PLANT ECONOMIES SHOULD SHOW NEXT YEAR

Was Third New Plant in Group in Short Period

F. N. Burt Company is not expected to show the full benefit of their new plant extensions during the current year for heavy expenses have been incurred in moving that will have to be met from the year's earnings. But 1928 is expected to see the company demonstrating the full earning power of its new Buffalo plant.

This plant is now in full operation. It cost over $40,000 all of which was met out of surplus earnings without the issuance of any new securities.

New plant has enabled the company to concentrate its entire American production in one location with the single exception of the toy dolls, etc., made of pulp by the Drake process and for which a separate plant exists in Buffalo.

Third New Plant in Group

The so-called Moore group of companies has erected no less than three new plants in the past few years. When Gilman Fanfold was organized to manufacture order forms, etc., by a new process a plant was erected for the purpose. Burt has added a new plant and the affiliated company which serve the Pacific Coast and Rocky Mountain area of the United States—Pacific Burt—has just moved into a new $175,000 modern plant erected at Los Angeles.

American Salesbook, William A. Rogers, and Canadian William A. Rogers also in the group, have not carried out plant extensions but American Salesbook in particular has had a very healthy increase in business and has continuously added new machinery.

The Alberta Wheat Pool now owns a total of 135 elevators in the province and it is expected that this number will be increased to 150 before the 1927 crop begins to move to market.

Business Conditions in United States

Measured by check payments, the dollar volume of trade in the United States for the week ended July 9, was greater than in either the preceding week or the corresponding week of last year, according to the weekly statement of the Department of Commerce. Wholesale prices strengthened during the week but were still well below a year ago. Prices for cotton averaged higher than during the previous week, but were lower than in the same week of last year. New building contracts awarded during the week in thirty-seven states were smaller than in either the previous week or the corresponding week of the preceding year.

Loans and discounts of Federal reserve member banks declined from the preceding week but were larger than last year. Call-loan rates averaged lower than in either the previous week or the same week of 1926. Stock prices averaged higher than in either the previous week or the corresponding week of last year. Bond prices made similar comparisons with both prior periods. Interest rates on time money showed no change from the preceding week, but averaged higher than a year ago. The Federal reserve ratio declined from the preceding week but was higher than last year. Business failures were less numerous than in the previous week but greater than in the same week of 1926.

Production of bituminous coal during the week ended July 2 declined from the preceding week, and, due to labor conditions within the industry, was lower than a year ago. The production of lumber during the same week was smaller than in either the preceding week or the corresponding period of last year. Beehive-coke production made similar comparisons with both prior periods. The production of crude petroleum again reached a new high record. Receipts of cattle at primary markets were smaller than last year. Hog receipts, however, showed an increase over the corresponding week of a year ago. Receipts of cotton into sight were running heavier than a year ago.

CONCRETE PAVING ON THE INCREASE

Ontario Heads Provinces in the Total Yardage Completed

Concrete paving completed in Canada during the past calendar year totalled 2,030,302 square yards, as compared with 2,289,957 in the preceding year. Although activity was slightly less last year, the amount of paving laid was the second largest ever recorded. Prior to 1912, only 342,184 sq. yds., of concrete paving existed in the Dominion, but from then on the use of this material rapidly increased and by 1917, paving completed had passed the 3,000,000 mark. At the end of last year, 14,934,083 square yards of concrete paving had been laid.

Ontario led all other provinces in 1926 in the amount of concrete paving completed, records showing 1,528,750 square yards completed. British Columbia was next on the list with 247,892, followed by Quebec with 213,160, Manitoba, 36,000, and Alberta, 1,000. New Brunswick, Nova Scotia, Saskatchewan and Prince Edward Island failed to report the laying of new concrete pavement.

Ontario Has Greatest Yardage

At the beginning of the current year, Ontario had the greatest yardage of concrete pavement of any of the provinces, with a total of 11,135,443, or over 70 per cent. of the aggregate total. The position of the other provinces in this respect, was as follows:

Alberta	219,561 sq. yds.
British Columbia	991,088 " "
Manitoba	298,350 " "
New Brunswick	4,780 " "
Nova Scotia	75,235 " "
Ontario	11,135,443 " "
Quebec	2,172,416 " "
Saskatchewan	33,710 " "
P. E. Island	3,500 " "

Wouldn't Paint Ford Car Lest Bank Seize It

The manager of the Canadian Bank of Commerce at Broderick, Sask., evidently finds a little fun mixed in with his work. In the bank's staff magazine, "The Caduceus," he tells of these incidents.

"We found it necessary to take chattel mortgage security from a farmer who had become heavily indebted to the bank. In checking up and making a list of his chattels preparatory to taking the mortgage, we found that he had a very old Ford car which had apparently never seen a garage and on which the paint had long since been replaced by a good coat of red rust. In view of its sad appearance it was not considered to be worth including in the mortgage. A few days later we were very much surprised to see the car in town. The owner was standing nearby talking to a friend, the following conversation which took place between them being overheard: "Why don't you give your car a coat of paint?" The owner looked up in great surprise and said: "What do you think I am? If I was to paint that car the bank would immediately take a mortgage on it."

"A foreigner who bore rather a poor reputation, called one day and asked for a loan of $10. The manager, knowing his reputation and not wishing to entertain the application, replied: "Sorry John, but we have no money." The foreigner immediately replied: "What for you tell me you have no money, I see your sign $20,000,000 and you cannot lend me $10. You fooly me. You fooly me."

"A customer who was apparently very proud of his whiskers entered the manager's office and noticed soon as he entered a large portrait of the late Sir Edmund hanging on the wall. He walked straight up to it and stood admiring it for some time, at the same time absentmindedly stroking his own beard. Then quite suddenly he turned around, and addressing the manager for the first time, said: " My! But dem is fine viskers phwat your farder has."

Canadian Marconi Control May Pass to New Hands

From Our Own Correspondent.

MONTREAL.—Negotiations are under way between the British Marconi Company and Lazard Brothers, leading British bankers, for the sale of the former company's holdings in the Canadian Marconi Company.

The intention is to transfer the British Marconi Company's holdings in its Canadian subsidiary to a new company in which the Radio Corporation of America and the British Marconi Company will have an interest. The Radio Corporation will not control the new company and should the deal be consummated, the control of the Canadian company will still be vested in British hands.

It is intended that a director nominated by the Radio Corporation of America will sit on the new board of the Canadian Marconi Company when, as and if the deal be completed. It is also said that an attempt will be made to interest the Canadian Pacific Railway Company in the Canadian Marconi Company.

ANNUAL STATEMENT

Loblaw Groceterias Co. Limited

May 31st, 1927

ASSETS.

CURRENT ASSETS:		
Cash on hand and in banks (see footnote)	$141,116.27	
Merchandise Inventory and Advances a/c purchases	1,237,953.68	
Advances to Loblaw Groceterias, Inc.	39,647.24	
Advances to Loblaw Groceterias, Limited (Alberta Company)	9,044.16	
		$1,427,761.35
INVESTMENTS:		
2,600 shares Prior Preference Stock Loblaw Groceterias, Inc.	260,000.00	
2,600 shares Common Stock, Loblaw Groceterias, Inc.	1.00	
150 Shares Stock, Loblaw Groceterias, Limited (Alberta Co.)	15,000.00	
Life Insurance	15,754.51	
Mortgage Receivable	5,000.00	
		295,755.51
Deferred Charges to Operations		50,429.23
CAPITAL ASSETS:		
Real Estate, Buildings, Improvements, Furniture and Fixtures, and Autos and Trucks	1,288,202.14	
Less Depreciation Reserve	294,429.83	
		993,772.31
Goodwill		360,000.00
		$3,127,718.40

LIABILITIES.

CURRENT LIABILITIES:		
Accounts Payable and Accrued Expenses		$606,580.12
DEFERRED LIABILITIES:		
Mortgages Payable	23,900.00	
Income Tax Reserve	51,320.40	
		75,220.40
CAPITAL AND SURPLUS:		
Capital Stock, Prior Preference, 7%	619,300.00	
Less Redeemed during year	71,600.00	
	547,700.00	
Capital Stock, Common, 174,234 shares, no par value	995,850.00	
	1,543,550.00	
Surplus	902,367.88	
		2,445,917.88
		$3,127,718.40

NOTE: Balance of amount required to be set aside as of the above date for redemption of Prior Preference Stock at market value $3,252.33

SURPLUS ACCOUNT.

(Year ending May 31st, 1927)

Surplus, May 31st, 1926		$ 567,185.35
Net Profit for year		629,140.37
Income Tax Adjustment, prior periods		3,477.06
Dividends, Prior Preference	$ 40,586.00	
Dividends and Bonus, Common	201,958.50	
Premium Paid on Preference Stock redeemed	3,570.00	
Income Tax Reserve, 1927 period	51,320.40	
Surplus, May 31st, 1927	902,367.88	
	$1,199,802.78	$1,199,802.78

Audited and approved.

Thorne, Mulholland, Howson and McPherson, Chartered Accountants.

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Toronto Winnipeg Vancouver

For Economy with Service
Route Your Freight Shipments
via
Canada Steamship Lines,
LIMITED
Between Montreal Three Rivers Quebec
From Montreal, Toronto, Hamilton to Port Arthur, Fort William
Between Montreal, Toronto, Hamilton, Windsor, Detroit

Insurance for Buyer and Seller

SPRINKLER SYSTEM KEEPS PACE WITH INDUSTRIAL NEEDS

Important Improvements Noted in Fire Protection Appliances

The patriarch who coined the phrase about the ounce of prevention and a pound of cure must certainly have been thinking about fire prevention when he uttered his prophetic edict. The fire loss of a country does not depend upon the number of fires that occur, but rather upon the seriousness of each individual fire, and that is exactly where the ounce of prevention comes in. No form of fire prevention is so more universally applicable than the automatic sprinkler, and the way in which this little brass valve has kept abreast of the demands of industry, presents a story that any underwriter of sprinklered risks should rejoice to hear.

Scattered across Canada at the present time there are probably between 8,000,000 or 10,000,000 of these little brass fellows keeping watch over every conceivable form of industry and material. Some time ago, statistics showed that there were some 2,700 sprinklered properties in Canada, most of which are in Quebec and Ontario. The rate of increase is estimated at about 350,000 sprinklers a year, but this increase is exceedingly low when it is remembered that only about 5% of the eligible properties are equipped with automatic sprinklers.

However, it is not sufficient to instal a sprinkler system and let it go at that. Conditions are changing so rapidly, due to new inventions and scientific research work, that a system that may be 100 per cent efficient one year, may have to be entirely rehabilitated the next year in order to keep abreast of new hazards due to the introduction of new processes of manufacture. One of the best examples of this condition is in the paint industry, where revolutionary changes have been taking place within recent years.

When Lacquer Paints Came In

Broadly speaking, these changes centre around the substitution of fast-drying of paints and enamels. Whereas a few volatile materials, in the manufacture years ago, the main constituent of commercial and industrial paints, was oil and gum, to-day science has perfected an enamel or lacquer whose most important constituent is 'pyroxylin,' which is a type of nitrocellulose, a highly volatile substance. The effect of this new process on the fire hazard has been extremely important, because the basic material employed in making the new material, is nitrated cotton—an exceedingly close relation to guncotton.

The whole industry is hedged about by an entanglement of chemical phrases and processes that are much too technical for the average layman, or underwriter. However, these facts do emerge, that not only is this new basic material a highly volatile substance, but also it is susceptible to almost every fire hazard that there is. Spontaneous combustion, friction, and all the various causes of heat, are hazards that must be carefully watched in places where paints are manufactured. Furthermore, this type of enamel is being universally adopted where products are sprayed or dipped, and where a fast-drying enamel is capable of being introduced. For instance, in the manufacture of automobiles, this application of the finish is proving of tremendous advantage. The enamelling of car bodies, which formerly took perhaps a week, is now disposed of in half a day.

Foam Tanks to Stop Fire

The way in which one of the leading sprinkler manufacturers has met this new hazard, is by the introduction of an automatic foam tank. This contrivance is nothing more or less than a combination of two principles which have for some time been a proven protection against fire, namely, the automatic sprinkler and foam. Wherever volatile liquids are used, especially in the form of dip tanks or sprays, this appliance can be installed to smother the flames, the instant that fire breaks out.

Coming to Canada

HON. JAMES A. BEHA,

Superintendent of Insurance for the State of New York, who will make his first official appearance in Canada, when he addresses the Annual Conference of Provincial Insurance Superintendents at Quebec, at the end of August. Mr. Beha is also vice-president of the National Convention of Insurance Commissioners.

The tanks themselves are anywhere from 14 inches to 22 inches in diameter, and about 17 to 36 inches in height. They are suspended above the spraying or dipping apparatus, and at the bottom of the tank is attached an automatic sprinkler head somewhat similar to those used in buildings throughout the country. The foam is contained in the tank in two solutions which are forced together the instant that sufficient heat releases the automatic sprinkler head. The two chemicals when combined produce an impenetrable blanket of foam which has proven a highly dependable means of combatting fire where the cooling use of water is impracticable.

Now Use Quartz Bulb Sprinkler

Another interesting development which has been produced to meet the needs of special industries, is a form of sprinkler called the quartz bulb sprinkler, which is under certain conditions replacing the original type of soldered or strut sprinkler. The idea of this new sprinkler head is that it will be installed in connection with an automatic sprinkler system, wherever there is danger of corrosion either by moisture, or acidity. Instead of the little brass valve on the sprinkler head, held down by a soldered contact, there is in its place a tiny transparent bulb made of quartz. Inside this bulb there is a solution of carbon-tetrachloride which expands under heat, breaks the bulb and releases the valve. This simple contrivance took exactly 15 years to develop, and its advantages are that there is no possible chance of corrosion which would weaken the effectiveness of the sprinkler, and also that there it gives an absolutely positive action, within precisely two degrees of heat.

Housekeeping is Important

Finally there is another side to the way in which mechanical protection is keeping pace with the changing demands of industry. Even the most perfect of mechanical appliances would be ineffective without a continual round of inspection and supervision.

These two functions must be performed perpetually in order to make mechanical protection effective. One of the biggest lessons that Canadian manufacturers have had to learn, is in the matter of housekeeping. Carelessness of this sort in hazardous industries may prove exceedingly costly, and Canadian manufacturers have been slow to learn the lesson and necessity of good housekeeping in their plants. The teaching of these lessons is just one more of the functions assumed by insurance companies and the manufacturers of sprinkler devices in the cause of fire prevention.

Real Estate Dealers Protest Bond in B. C.

From Our Own Correspondent

VANCOUVER.—Real estate dealers in British Columbia are up in arms over the provincial government's law, passed at the last session of the legislature, to make it necessary for them to put up a bond of $1,000 before being authorized to do business.

The Real Estate Agents Association has been established in Vancouver and Victoria for the sole purpose of fighting this measure, which is said to work a hardship on the agents. Many firms, it is claimed, will be put out of business if the law is not modified. According to those leading the protest, several well established firms have been refused bonds because of judgments standing against them as a result of war finance difficulties. Smaller firms have been refused backing by bonding companies, and several larger firms in good standing have had difficulty in securing bonds such as required by the government.

In view of the much larger number of real estate firms per capita doing business in British Columbia than in the east, this law has a much more far-reaching effect than it would have elsewhere. The government passed the law in order to stabilize the business and weed out the "shaky and shady" enterprises. As a result it is being charged with following the advice of a minority of agents who want to eliminate competition.

Speak Well of Great West Life Stock as Investment

The July investment bulletin of Insurance Investments Ltd., makes the following reference to the Great West Life Insurance Co., of Winnipeg:

"This company was incorporated August 28, 1891. Dividends have been consistently increasing, while market value of the shares has increased steadily and remarkably throughout. In fact the past two years have shown an increase of approximately 100 per cent in the marketable value of these shares, and we confidently expect a similar ratio of increase for the future. This company's activities have, in the past, been confined almost entirely within the Dominion of Canada, but plans are now under way for entry into several additional states of the American Union.

The dividend for the first six months of 1926, which included a 10 per cent bonus, represented 36 per cent on the 1912 capital, we believe that additional bonuses will be given from time to time.

Take Out Insurance License

The department of insurance at Ottawa has announced that the Preferred Accident Insurance Company of New York has been licensed to transact burglary insurance in addition to the classes for which it is already licensed.

Drive Business Sticks London Life Finds

Rather an interesting sidelight on the recent drive of the London Life Insurance Co., for $15,000,000 of new business is the fact that this business shows a greater tendency to "stay put" than any other business written by the company.

Each year the company puts over a special drive for business about this time of the year, and the company's experience shows that the lapse history of this special business is the best on the company's books. The 1927 drive which was completed a week or so ago, netted the company just over $15,000,000 of new business, during a period of exactly six weeks. In the last week of the drive, over $5,000,000 of business was written, and in the last day of the campaign, the day's total touched the million dollar mark.

The number of policies issued was 16,685 of which 2,186 were ordinary, and 14,499 industrial. The total amount of new business written last year by the London Life, amounted to $73,737,385.

Canadian Western Lumber

The Canadian Western Lumber Co., which includes the Columbia River Lumber Co., reports sales of lumber for the month of May amounting to 17,382,776 ft., realizing $365,301. This compares with 12,832,032 ft. realizing $313,818 for the same month in 1926.

The aggregate sales for the first five months of this year at 58,830,970 ft. realized $1,277,132, which compares with 62,952,469 ft. realizing $1,505,813, for the same period last year.

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

THE
ONTARIO EQUITABLE
LIFE AND ACCIDENT
INSURANCE CO.
S. C. TWEED, *President*
HEAD OFFICE:
WATERLOO, ONTARIO

Assets (Dec. 31, 1926) $3,822,316
Reserves 2,422,896
Insurance in Force...33,050,441

8% to 154%
This is the average market increase including dividends per annum of 37 sound Insurance company shares for the last 10 years. If you are interested in safe, high-yielding investments, protected by rigid Government supervision we will forward full information. Write today.
The Insurance Investments LIMITED
Insurance Bank & Trust Company Stocks
347 Bay Street, Toronto. Adelaide 8121-4

ST. LAWRENCE
UNDERWRITERS' AGENCY
FIRE and AUTOMOBILE
INSURANCE
HEAD OFFICE - TORONTO

[*Ad No. 9 in a series on Business Mortality*]

Why Does a Retail Business DIE?

Do you sell to Retailers? Then *your* customers are included in the following table. It represents a study of several thousands of cases, made by the Bureau of Business Standards of the Shaw Publications.

Failure to take a legitimate profit
Increasing cost of doing business
Ignorance of overhead expense
Bad accounting and poor collections
Overbuying
Cut-rate competition
Lack of capital
Poor location
Undue eagerness to make a big splurge
Failure to take a "census" of the local market
Poor stocks
Failure to create a store personality
Poor equipment and fixtures
Unsupported advertising

Whether your customers fail from this cause or that cause, your resources are endangered just the same. But no matter *what* may happen to *any* of your customers, *nor how unexpectedly*, you are protected thoroughly if you carry an adequate policy of American Credit Insurance. Thousands of leading Manufacturers and Jobbers are already benefiting by our broad service—why not you?

CANADIAN DIVISION
The AMERICAN CREDIT-INDEMNITY COMPANY
of New York — J. F. McFadden, *President*
R. J. MULLEN, Manager for Canada,
1702-08 Metropolitan Bldg., Phone: Main 4316, Toronto, Canada.
539-42 Canada Cement Bldg., Phone: Lancaster 3258, Montreal, Canada.
LR 594

Cheerfully Independent!

Some day you will be considered "too old for the job." When that day comes, how will it find you — trusting to relatives or cheerfully independent?

A little saved from salary and invested in a Great-West Life Endowment policy will make old age the brightest portion of your life.

Protection with Profit

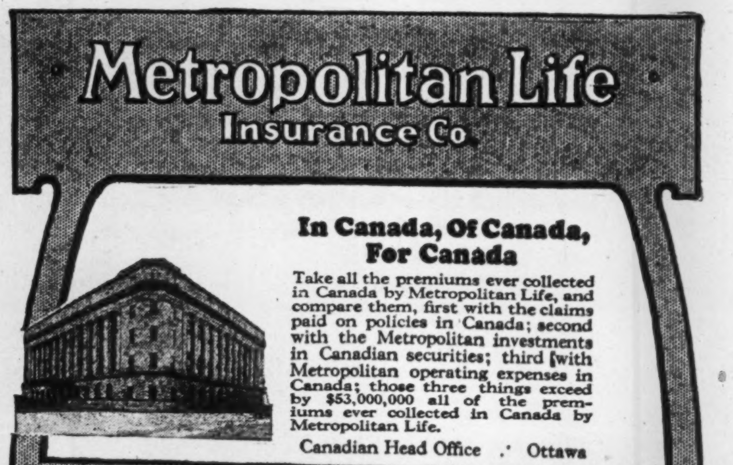
The Great-West Life Assurance Company
Head Office - Winnipeg
31

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices:
Toronto, Montreal, Winnipeg, Regina, Saskatoon,
Calgary, Edmonton, Vancouver, Victoria.

NORTHWESTERN MUTUAL FIRE
ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO.
Writing Fire Insurance at Cost Assets $3,751,733.94
ALL POLICIES DIVIDEND PAYING AND NON-ASSESSABLE.
Branch Offices:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon.
Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary
W. H. HUNTER, President
ALEX. STEWART, Treasurer

The NORTHERN
LIFE ASSURANCE COMPANY OF CANADA
Good insurance salesmen can always find a place with our growing organization. Write for full particulars.
Head Office: London, Ontario.



Metropolitan Life Insurance Co.

In Canada, Of Canada, For Canada

Take all the premiums ever collected in Canada by Metropolitan Life, and compare them, first with the claims paid on policies in Canada; second with the Metropolitan investments in Canadian securities; third with Metropolitan operating expenses in Canada; those three things exceed by $53,000,000 all of the premiums ever collected in Canada by Metropolitan Life.

Canadian Head Office . Ottawa

How Much Life Insurance Does He Carry?

That is one of the first questions asked when men are called upon to form a business judgment of another's character and capabilities.

A question that your banker is likely to ask is one you had better be prepared to answer satisfactorily.

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal

A Special Protection Policy

is being issued by The Empire Life Insurance Company for amounts of $5,000 and upwards.

If contemplating further Insurance, get details of this Policy by direct inquiry to the Head Office of the Company.

The Empire Life
Insurance Company
Head Office
12-14 Wellington St. East
TORONTO

PENNY BANK HAS 60,000 ACCOUNTS; MAKES NO PROFITS

Great Public Service Institution Helps Children of Ontario

By J. E. MIDDLETON

An incorporated company controlling a million dollars does business in the Dominion of Canada, showing a steady expansion of its activities, but not making a dollar of profit for any individual.

The men who organized the company subscribed $20,000 as a guarantee fund. They have never received a cent of interest on the investment.

Furthermore, for the first nine years that the company was in business there were nine successive deficits. The shortages were not carried in a suspense account; they were made good by the directors—not out of the $20,000, but by individual subscriptions. And not a cent of interest has been paid by the company on these contributions.

No Fees; No Reward

Some of the directors are high executive officers associated with various financial institutions, and accustomed to the habits of corporations. Yet they collect no fees for attending the directors' meetings. They are forbidden by Act of Parliament to receive any reward whatever for their activity in the interests of this strange and unique company — The Penny Bank of Ontario.

It is said that a missionary can be more cheerful on less money than any other man. These directors are missionaries of an economic gospel, the gospel of wise money spending. The Penny Bank of Ontario is their missionary foundation and they observe its steady growth with the liveliest satisfaction. It is a home mission planned for the advantage of Canada and Canadians, and that fact makes it all the more fascinating to watch.

In Over 300 Schools

It operates in over three hundred schools with the approval and aid of the teachers, and this is the manner of its work. Every Tuesday morning the boys and girls bring their small savings to the teacher, who enters the amounts in their pass-books. A carbon copy of each entry goes with the money to the head office of the bank, where the bookkeeping is done. In Toronto alone thirteen young women keep a record of over 60,000 individual accounts—and get an accurate balance every week.

What happens to the money? It is invested in government securities. Not a dollar goes out on loan; no hazards are permitted. The children's money is safe as long as Canada endures. It is a charge against the assets of this great and wealthy Dominion.

To Form Good Habits

Educationists say that all conduct is based on habit; that we read and speak and write by habit; that we walk and run by habit. They declare that the aim of the school is to form good habits and correct the beginnings of improper ones. Correct speech, logical thinking, good physical carriage and courtesy are taught until they become habitual.

Every one spends money. The habit of spending it wisely may be taught and is taught through regular school banking. Every person spends all the money he gets. Some buy only trivialities and temporary pleasures. Others spend a portion of their income over the counter of a savings bank and allow it to accumulate until they are able to buy some lasting and useful gratification. The boy who "saves up" to buy a baseball catcher's glove, or a watch, or a bicycle strengthens his will by refusing to spend money foolishly. He gets the habit of saving, which, like any other habit, will persist after he leaves school and goes out into the working world.

Starting Thrift Habit Early

Financial leaders say that individual thrift brings national prosperity. All capital is saved money, money accumulated for the purchase of useful and profitable things. The way to enlarge the available supply of capital for the development of this country is to teach people to save and spend wisely. The only way to learn anything thoroughly is to make a start at it in childhood. Wise parents teach their children that money is life—that it represents the thought and labor of some human being. They train the boys and girls to regard cash with respect, not for itself but for what it represents, and to save a fixed portion of every dollar they receive.

Not all parents are wise, and the burden of giving this discipline comes naturally upon the school, which reaches the children of all classes; well-born and well-trained, or ill-bred and neglected. The Penny Bank of Ontario is used by nearly 100,000 children living in fifty-five municipalities. They have balances which reach an approximate aggregate of $1,000,000.

Could Cover All Canada

There is room for expansion. The organization is established, the practice is fixed. Many towns and cities are not providing this practical instruction in thrift. All might provide it for The Penny Bank of Ontario is a corporation with a federal charter granted in 1905 and can work as well in Vancouver, Calgary, Winnipeg or Halifax as in Toronto.

The United States became interested in school savings only seven or eight years ago, when the American Bankers' Association undertook to inform the people of the national advantages of the movement. Already American children have accumulated $31,000,000.

The missionaries who direct The Penny Bank of Ontario "for nothing a year and find themselves" would be glad to preach this gospel of wise spending in every corner of Canada.

Banks and Banking

An Historical Sketch by PROF. A. STANLEY WALKER, Halifax.

Third Article in Series Explains Why Bank Notes Are Less Used in England Than in This Country

Peel's Bank Act of 1844 was based upon the views of the supporters of the "Currency Theory", i. e. that bank notes should not be issued for a greater amount than there would be gold if there were no notes. It is an important act because it settled for the future the principles upon which Bank of England notes should be issued.

It is equally important because it aroused the fierce opposition of the upholders of the "Banking Theory", that notes may always be issued safely so long as the credit they represent is based upon legitimate business transactions. The Banking Theory has failed to undo the act of 1844 in England, but it is the theory followed in Canada. where the extent of the note issue lies in the discretion of bank directors. In England bank notes are comparatively rare: in Canada they are the commonest type of currency Historically they are the instrument which turned loan-mongering into modern banking, for it was not until bankers induced customers to take advances or loans in the form of notes that the economy of metals became possible and the wheels of credit really began to turn.

At First Were Not Currency

When bank notes were first issued there was no idea of adding to the currency. They were simply promises to pay by bankers who had received cash from customers. Thus they really formed a substitute for the coinage and were supposed to be covered by cash in the bank. This "simple deposit system" of note issue had its uses. It increased the portability of money, but it also made money easier to steal. It did not increase credit, nor did it enable trade to expand. In time, others besides legitimate bankers began to issue notes and many issues were not backed by cash. Now so long as confidence continues (i.e. so long as the issuer's credit is good) such issues will be accepted at par. But when an overissue either of paper or of a token coinage occurs, Gresham's Law begins to operate: the bad currency will drive out the good from circulation. People will hoard their gold or use it in foreign trade exclusively, tendering paper or token coin in payment of domestic debt. A note issue under such circumstances becomes inconvertible, paper is said to be at a discount and gold at a premium.

Protection By Painful Processes

Because Canadian banking practice is so conservative and because, in consequence, Canadian bank notes, though issued on the "Banking Theory", are always convertible, we rarely stop to consider the painful experiences upon which our present perfection of procedure has been erected. In England, until the end of the eighteenth century, all went well. Then the Napoleonic War drained the gold reserve of the Bank of England. In 1797 an order-in-council stopped gold payments in general. No one realised that the way to correct the adverse foreign exchange was to raise the rate on interest. Enormous quantities of notes were issued by the Bank of England. Country banks added their quota, too, and in 1816, when cash payments were resumed, paper was at a discount. Even by the year 1810 gold (the Mint price of which is £3-17-9 per ounce) had risen to £4-10-0 in paper. By 1813 it rose to £5-10-0 and the one pound note fell to fourteen shillings and twopence. The failure of numerous country banks during the boom of speculation which succeeded the war, and the consequent disappearance of the inconvertible paper brought down gold to £3-18-6.

The lesson was obvious and occasioned the introduction of the Bank Act of 1844. This bill gave the Bank of England a practical monolopy of note issue, but limited such issue more severely than we in Canada think needful or useful. No note could be circulated in future unless actually backed by gold, except that the Bank might further issue on the security of certain government debt to the bank, a debt now amounting to £18,450,000.

Achieved Part of Objects

Peel's object in passing this act was threefold. He wished to create a secure note issue: to increase the means of safe credit and to check financial panics. He achieved his first object, but by such rigid rules that his second was defeated. Panics Peel could not hope to eliminate by his act, for they spring from other causes as well as from the conditions governing a note issue, and not least from the growing modern tendency to build up a great mass of financial operations (as happened in the crisis of 1907) on a substructure of credit alone, unsupported by any adequate gold reserve. It is not surprising, therefore, that, in England financial crises arose after 1844. There was one in 1847, due to the potato famine in Ireland and tremendous railway speculation in England. Another occurred in 1857, due to over-trading in the U.S.A. followed by a 20% depreciation in American rails. A third came in 1866 in consequence of the American Civil War. In each case the Bank Act was suspended and an overissue of notes permitted. The last crisis arose in 1914 when the treasury was authorized to suspend the act, if necessary.

Many Seek Repeal

A considerable body of English banking opinion has consistently sought the repeal of the act. But the committee on Currency and Foreign Exchanges after the War which sat under Lord Cunliffe, maintained that the principles of the act had been justified on the whole. But we must remember that Peel was legislating for his own times. He never dreamt of the tremendous increase of trade and commerce which was to come after the Industrial Revolution, and his act provided no elasticity. This has since been found in other means of credit besides gold and guaranteed notes, e.g. in cheques, bills of exchange, promissory notes and various bond and share certificates. One of the important functions of the clearing house, too, may be said to be the economising of currency in transactions between banks. In Canada we take advantage of each of these credit expedients. Our note issue, because there is no statutory restrictions upon it, has an elasticity which is denied to its English parallel, and all the important advantages of the Bank of England note are preserved to us in the large denomination government bills used to settle accounts between Canadian chartered banks.

You Can Get These Articles in Pamphlet

There will be five articles in this series by Prof. A. Stanley Walker of Dalhousie University, Halifax. It is proposed to reprint them in a small pamphlet, in order that bank managers and others, desiring to keep them, may have them in convenient form for filing. You may have a copy of the reprint by sending ten cents in postage stamps as a nominal sum to cover cost of handling. Address, editor, Bank Managers Page, The Financial Post, 143 University Avenue, Toronto.

Staff Gossip

Tommy Atkinson of the Bank of Commerce, Bawlf, left for Vegreville, where he has been transferred. — Canadian, Camrose.

D. C. Gaylord, of Queenstown, Alta., has arrived in the city to take over the duties of chief clerk at the Bank of Nova Scotia.—Herald, Swift Current.

W. G. Lynch, former manager of the Bank of Commerce here, and his family, have left for Edmonton, where Mr. Lynch will take control of the Bank of Commerce branch.—Star, Windsor.

A. F. S. Tatum, who was recently appointed manager of Vancouver, Cordova Street branch of the Royal Bank of Canada, was born in the city of Hamilton, Ont., later moving with his family to Montreal, where he commenced his business career with the Liverpool, London & Globe Insurance Company. He remained with this company for about five years, and on September 12, 1902, accepted a position with the Union Bank of Canada as ledgerkeeper at Lethbridge. Promotions came rapidly, and in July, 1907, he received his first appointment as manager at Bowden, Alta., subsequently filling similar positions at Fort Saskatchewan, Pincher Creek, Lethbridge and Edmonton. In 1919 he was appointed inspector, with headquarters at Calgary, and in 1921 he was transferred to Winnipeg as assistant to the superintendent. When the headquarters of the Alberta Division were moved from Winnipeg to Calgary in 1922, Mr. Tatum was appointed assistant superintendent of Alberta branches, which position he continued to occupy until the amalgamation, when he was attached to the Calgary supervisor's department until his present appointment.

His chief hobby at the present time is radio development, concerning which he has become quite an expert.

N. J. Kerr, of the Royal Bank, Viscount, has been transferred to Oxbow-Phoenix, Saskatoon.

Weekly Bank Clearings

(In comparison with the same week last year)

Eastern Cities

	July 15 1926	July 14 1927
Halifax	$ 2,804,545	$ 3,324,790
St. John	2,520,441	2,609,389
Moncton	825,530	972,537
Sherbrooke	834,018	862,642
Quebec	6,374,003	7,273,161
Montreal	96,721,399	122,844,463
Ottawa	6,328,759	6,770,789
Kingston	827,926	965,790
Peterboro'	756,091	1,091,482
Toronto	94,272,414	105,581,116
Hamilton	4,949,423	5,971,410
Brantford	1,050,181	1,231,150
London	2,538,921	2,958,960
Chatham	757,487	799,482
Kitchener	919,268	1,135,522
Sarnia	632,591	930,347
Windsor	5,181,665	5,324,746

Western Cities

	July 15 1926	July 14 1927
Fort William	$ 819,926	$ 1,128,051
Winnipeg	44,841,879	41,578,604
Brandon	575,304	680,791
Regina	3,965,090	5,246,244
Saskatoon	1,741,902	2,020,948
Moose Jaw	1,123,103	1,259,270
Prince Albert	358,691	368,558
Lethbridge	......	635,670
Calgary	5,748,438	6,965,153
Edmonton	4,233,851	5,125,294
Medicine Hat	235,317	321,114
Vancouver	16,016,334	17,620,392
Victoria	2,258,919	2,445,619
New Westminster	813,830	881,550

April Freight Loadings Heavier Than Last Year

Quebec and British Columbia are the only two provinces to show a decrease in freight loaded and received from foreign connection during the month of April last, as compared with the corresponding period last year. Aggregate loadings for all provinces, however. totalled 7,800,770 tons, as compared with 7,513,441 tons in April, 1926, an increase of nearly 300,000 tons. Ontario with 3,776,389 tons accounted for nearly half of the total loadings. Quebec was next on the list, followed by Nova Scotia, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick and Prince Edward Island.

Manufactures and miscellaneous products account for the larger percentage of the total movement, 2,387,661 tons being credited to this division. Mine products were next with 2,310,845 tons, followed by forest with 1,351,194 and animal products 230,721 tons.

The Service of a "Man of Business"

EVERY year more people avail themselves of the services of this Company in the management of their business affairs.

Busy people find we can save their time by caring for their securities and real estate.

People in poor health feel they can safely turn their business cares over to us.

Men and women who travel a great deal consider The Canada Permanent a safe representative at home.

Those whose interests are widely scattered appreciate our contact with business interests all over the Dominion.

Men of moderate means find they can well afford our economical service. Men of large means are glad to avail themselves of our judgment and experience.

In any circumstances where a Financial Secretary's services would be appreciated, The Canada Permanent is equipped to meet the need.

One of our Executives will be glad to talk over your immediate problem.

THE CANADA PERMANENT TRUST CO
Paid-up Capital One Million Dollars
Ontario Branch - Manager: A. E. Hessin
HEAD OFFICE: CANADA PERMANENT BLDG., TORONTO
Branch Offices: Toronto, Halifax, St. John (N.B.), Woodstock (Ont.), Brantford (Ont.), Winnipeg, Regina, Edmonton, Vancouver 27

BUREAU OF CANADIAN INFORMATION

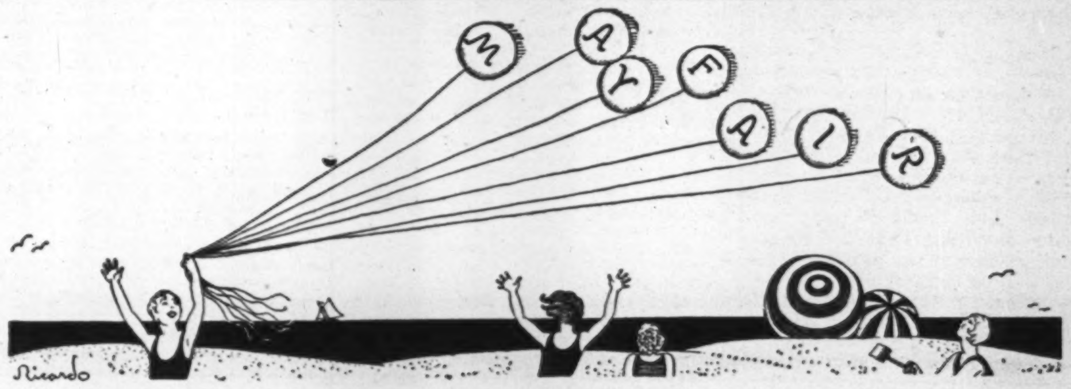
Ask the Canadian Pacific about Canada
CANADIAN PACIFIC

THE Canadian Pacific Railway, through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In our Reference Library, maintained at Montreal are complete data on natural resources, climate, labor, transportation, business openings, etc. Additional data are constantly being added.

DEVELOPMENT BRANCH—If you are interested in the mining wealth and industry of Canada or in the development or supply of industrial raw materials available from resources along the Canadian Pacific Railway, you are invited to consult this Branch. An expert staff is maintained to investigate information relative to these resources and examine deposits in the field. Practical information is available as to special opportunities for development, use of by-products and markets, industrial crops, prospecting and mining.

"Ask the Canadian Pacific about Canada" is not a mere advertising slogan. It is an intimation of service—without charge or obligation—that the information is available and will be promptly forthcoming to those who desire it.

CANADIAN PACIFIC RAILWAY COMPANY
Department of Colonization and Development.
MONTREAL, CANADA. J. S. Dennis, Chief Commissioner.



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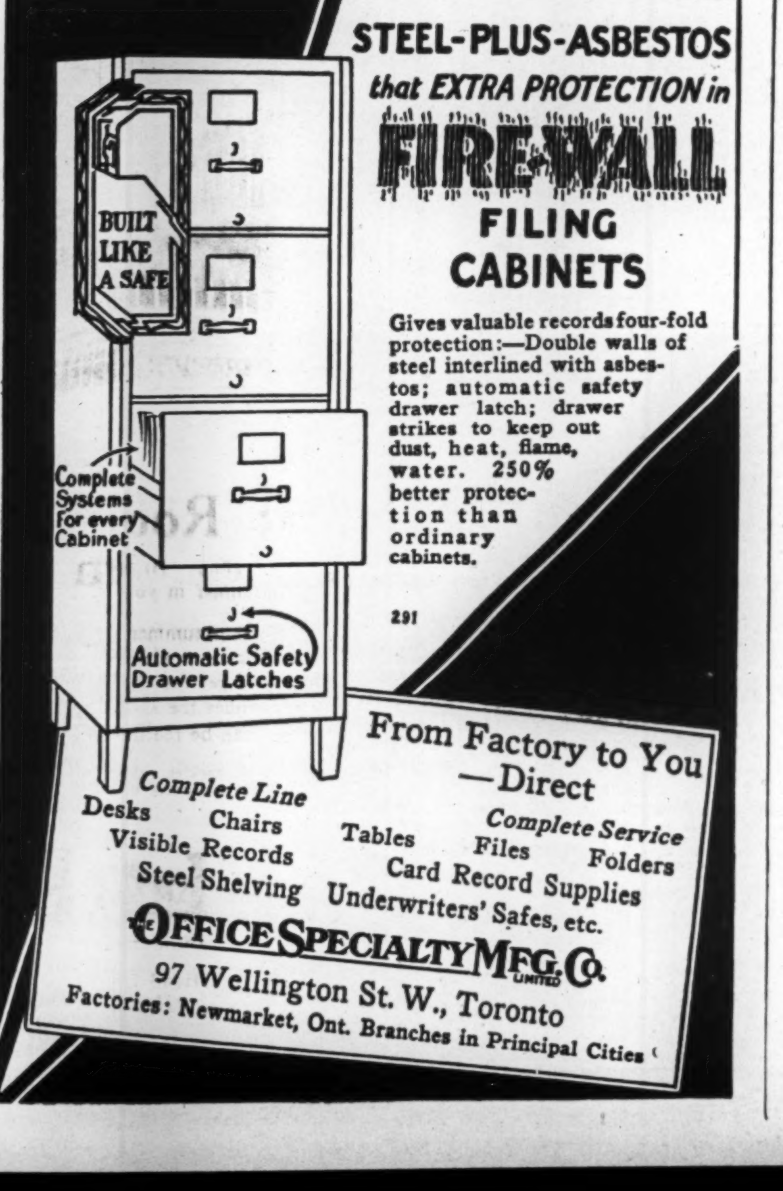
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High Commissioner in London Occupies Ambassador's Status

Office Has Gained Greatly in Prestige in Recent Years — Hon. P. C. Larkin Has Done Fine Work for Canada

The greatly enhanced prestige of Canada's High Commissioner in London in recent years is apparent to all students of Imperial relations.

The Canadian Gazette remarks that "From very small beginnings the representation of the Dominion has become a matter of supreme importance; and the representative himself has advanced from the dignity of a High Commissioner, practically to the status of an ambassador."

If Canada's High Commissioner in London, now Hon. P. C. Larkin, is virtually an ambassador so also is Canada's palatial "Canada House" an embassy building of fitting dignity.

Early Days of Representation

The direct representation of Canada in the United Kingdom in one form or another has existed from the time of Confederation. In 1868 several government emigration agents were appointed and stationed in different centres in the United Kingdom, the chief agent (the late W. A. Dixon) residing in London. These agents were more or less independent of each other and usually reported to the Canadian Department of Agriculture to which they were attached. In 1874, on the death of the London agent, it was decided to appoint an Agent-General for Canada, and Edward Jenkins, then M.P. for Dundee, was appointed, and the other agencies were placed under his supervision. The promotion of emigration continued to be the principal duty of the Canadian representative, the aid of the late Sir John Rose, who came to be regarded as confidential agent of the Dominion Government, being invoked in any matters of special interest. In 1876 Mr. Jenkins resigned and was succeeded in May, 1877, by the late Hon. William Annaud, who had been a member of the Nova Scotia Government, and was at the time the agent-general for the province in London. Mr. Annaud retired in 1880.

Early Days of Representation

The office of High Commissioner was first established in the year 1880 under the government of Sir John A. Macdonald. In 1879, during a visit to Great Britain an elaborate document was drawn up and signed personally by Premier Macdonald, Sir Leonard Tilley and Sir Charles Tupper in which the desire was expressed on the part of the Canadian government that the British Government should consent to receive a representative of Canada selected from the Queen's Privy Councillors for Canada and specially entrusted with the general supervision of all the political, material and financial interests of Canada in England, subject to instructions from his government.

It was suggested that the dignity of the office and the advantage of its proper recognition, appeared to require a more expressive title than that of agent-general; it was therefore suggested that the designation should be resident minister. "The Canadian government attaches great importance to this matter, and hopes that Her Majesty's Government will show no difficulty in giving the Canadian representative a diplomatic position at the Court of St. James with the social advantages of such a rank and position."

The Colonial Secretary, Sir Michael Hicks-Beach, in transmitting a copy of the memorandum to the Governor-General at Ottawa, the Marquis of Lorne, stated that Her Majesty's government were very sensible of the advantages a gentleman, who, residing in England, would be fully empowered to explain their views on important questions concerning Canada. He added that, looking to the position as an integral portion of the Empire, the relations of such a representative with Her Majesty's Government would not be correctly defined as of a diplomatic character; and that while Her Majesty's Government would readily assign to him a status in every way worthy of his important functions, his position would necessarily be more analogus to that of an office in the home service than to that of a minister of a foreign court. He would, therefore, primarily communicate with the Colonial Office on the various subjects which might be entrusted to him. The Colonial Secretary stated that while Her Majesty's Government would readily avail itself of any information he might afford, and give the fullest consideration to any representations made by him. it would rest with the Secretary of State for Foreign Affairs, to determine in what capacity his services might best be rendered with a foreign court in the interests of the Dominion.

High Commissionership Established

As a result of these negotiations an act was passed in 1880 in the Canadian parliament providing for the appointment of a High Commissioner in London to act as resident agent of Canada in the United Kingdom; to take charge and generally to look after the commercial, financial and general interests of Canada in the United Kingdom and elsewhere.

When once the High Commissionership was established, it became of paramount importance to Canada to see that the office was worthily filled, and the Dominion has always sent of her best to represent her in the heart of the Empire. The first High Commissioner to be appointed was Sir Alexander Galt, who had been Minister of Finance at Ottawa, and was one of the deputation of four sent in 1865 to England to confer with the Imperial Government to promote a scheme of federation—the others being the Hon. Georges Etienne Cartier, Sir John Macdonald, and the Hon. George Brown. Galt's first business was to take over and reorganize the staff of the agent-general's office and to arrange for its removal to Victoria Street. The Canadian Emigration Agent in London had previously occupied a building on King Street, Westminster, and afterwards the offices were removed to Canada Buildings in Queen Victoria Street, and it was from the latter premises that the removal was made to Victoria Street where the High Commissioner's office remained until quite recently.

Next Sir Charles Tupper

Three years later, in 1883, Sir Alexander Galt retired and was succeeded by another great Canadian—Sir Charles Tupper. Sir Charles had formerly been Premier of Nova Scotia, and later a leading member of the Dominion Government, being Sir John Macdonald's first lieutenant, and after serving as High Commissioner became Prime Minister of Canada. He held the position of High Commissioner until April, 1896, with one or two intervals, during which, however, he remained as Acting High Commissioner without salary. His private secretary, C. C. Chipman, who was also assistant secretary of the office, afterwards became private secretary to Sir G. Hibbert Tupper, when Minister of Marine and Fisheries, and was subsequently appointed Chief Commissioner of the Hudson's Bay Company at Winnipeg, an office which he held for many years.

Sir Charles Tupper was succeeded by Sir Donald A. Smith (afterwards Lord Strathcona), who was appointed on April 24, 1896. Here again Canada sent a most distinguished citizen to fill the post of High Commissioner, a man who had already earned the honor of being classed among the "Makers of Canada." Of Lord Strathcona's life work in Canada it is unnecessary to speak here. He was part and parcel of the early history of the Canada that we know to-day. From the time of entering the service of the Hudson's Bay Company, down to the close of his career, in every post that he filled, he showed rare tact, wisdom and judgment. During his period of office as High Commissioner he rendered the Dominion and the Empire a service that can only be justly estimated at its true value when the history of that time is written. During his term of office, with the rapid growth and the development of Canada, the duties of the High Commissioner naturally increased.

Where High Commissioner Has Office

An interior and an exterior view of Canada House, London, Eng., office of Canada's High Commissioner, Hon. P. C. Larkin, P.C.

Sir George Perley Appointed

On the death of Lord Strathcona in 1914, the Hon. (afterwards Sir) George Perley, Minister without portfolio, in the Canadian Cabinet, came over on a mission to report on the Office of the High Commissioner in May. When the war broke out, a few months later, he was instructed to remain and to represent the Canadian Government in London. During his stay he was appointed Minister of Overseas Forces here, although he still remained in charge of the High Commissioner's office. In the midst of this time, in 1917, there came a Canadian general election, and Sir George Perley did not defend his seat in the Canadian House of Commons. Sir Edward Kemp was sent over to be Minister of Overseas Forces, and Sir George Perley became High Commissioner.

Canada and the War

The outstanding feature of his regime was the advance in the status of Dominions overseas, their recognition as sister nations within the Empire. In 1917 the Imperial War Cabinet was inaugurated. This was the direct outcome of the manner in which all parts of the Empire had thrown themselves into the war. Imperceptible as was the bond which bound this great group of peoples together, there was never any doubt about their loyalty to the Empire to which they belonged, and the cause to which it was committed by the declaration of war. Without counting the cost to themselves, they offered their men and their treasure in defence of freedom and justice. Naturally it was felt that, in view of the ever-increasing part played by the Dominions in the war, it was necessary that their governments should not only be informed as fully as possible of the situation, but that as far as was practicable, they should participate on a basis of complete equality in the deliberations which determined the main outlines of Imperial policy. Accordingly, a special War Conference was convened in London. The conference was divided into two parts—one known as the Imperial War Cabinet, which consisted of overseas representatives and members of the British War Cabinet, sitting together as an Imperial War Cabinet for deliberation about the conduct of the war, and for the discussion of the larger issues of Imperial policy connected with the war. The other was the Imperial War Conference, presided over by the Secretary of State for the Colonies, which consisted of overseas representatives and a number of other ministers, which discussed non-war problems connected with the war but of lesser importance. On May 17, 1917, the British Prime Minister, in giving to the House of Commons a short appreciation of the work of the Imperial War Cabinet, said:

"I ought to add that the institution in its present form is extremely elastic. It grew not only by design, but out of the necessities of the war. The essence of it is that the responsible heads of the governments of the Empire, with those ministers who are especially entrusted with the conduct of Imperial policy should meet together at regular intervals to confer about foreign policy and matters connected therewith, and come to decisions in regard to them which, subject to the control of their own parliaments, they **will generally execute."**

Recognized Dominions

This was a recognition of the nationhood of the Dominions overseas and their right to take part in deliberations of Imperial foreign policy as it suggested then. Since then, as all will remember, the status of the Dominions has further been defined by the last Imperial Conference. Sir George Perley was one of the first Canadian ministers to be called upon to sit in an Imperial Cabinet and take part in its discussions. He filled the office of High Commissioner during a period of great stress when new departments had to be created and all kinds of new work fell to the office. Sir George worked unremittingly, and earned the gratitude of Canada for his zeal and for the admirable way in which he represented the country. It was a time when many a man, brilliant and clever though he might be, might have made costly blunders. Sir George made none, and Canada felt that her affairs were in safe hands.

Appoint Hon. Peter C. Larkin

On the retirement of Sir George Perley, at the end of 1921, the Hon. Peter C. Larkin, the present High Commissioner, was appointed in February, 1922, to succeed him. A leading business man in Canada, and a man of forceful character, Mr. Larkin soon made his influence felt in London. His energy, his high conception of the dignity of his office as the representative of the great Dominion of Canada, and his readiness to help any Canadian movement in this country early won him respect not only of Canadians but of others. At the farewell banquet given last May to Sir Joseph Cook on his retirement from the High Commissionership of Australia, Sir Joseph said, in the course of his speech, "This I can truthfully say—that things are better than six years ago. The status of the office of the High Commissioner has greatly improved. For this some credit is due to a small Association of High Commissioners at the head of whom has been my friend, Peter Larkin, High Commissioner of Canada."

During his term of office, Mr. Larkin has had many serious matters to take up, and his success in carrying out various achievements for the Dominion has been conspicuous. One of the first important questions he had to grapple with was that of the cattle embargo—which had long been a sore point with Canadian cattle raisers and exporters. Under the embargo, Canadian cattle, as soon as they reached England, had to be slaughtered, and as they often arrived in poor condition, low prices were realized for the beef. The embargo had been imposed under the pretence of safeguarding British cattle from disease, and for 28 years had resisted every attempt that had been made to remove it.

Settles Cattle Controversy

Upon his arrival in London, Mr. Larkin took an early opportunity of calling upon Mr. Winston Churchill, the Secretary of State for the Colonies, whom he convinced of the injustice of the embargo and came away with an assurance from Mr. Churchill that within two weeks he would make a public declaration that the embargo should be removed. As the ultimate result, after a long struggle, spread over a year, a bill was introduced by the Imperial Government and eventually righted the wrong under which Canada had suffered for over a quarter of a century.

Another question, perhaps more difficult to handle, which fell to Mr. Larkin to bring to a successful issue was that of the debts owed to Canada by other powers. During the war, Canada had advanced to Great Britain at different periods a sum amounting to approximately $1,250,000.000, while the Canadian banks had advanced a further $300,000,000. When the war came to an end the banks were duly paid, but disputes sprang up between the two financial departments over the question of exchange, and the matter remained unsettled for four years. It became Mr. Larkin's task to achieve a satisfactory and amicable adjustment; and thanks to his tactful and adroit handling of the situation a settlement was reached in 1925 for dealing with the balance. An equally successful settlement was also made by Mr. Larkin in respect of the various advances, totalling $35,000,000 made by Canada in 1918 to some of the Balkan States, with the result that interest has been promptly paid together with repayment of some of the capital.

Found Sir Henry Thornton

Mr. Larkin's next important piece of work was the onerous task set by the government of finding a man in England capable of taking entire charge of the 22,000 miles of railroad track of the Canadian National Railways, and the fleet of the Canadian Government Merchant Marine. After wide inquiries he came to the conclusion that Sir Henry Thornton was the fittest man for the position and persuaded him to undertake the position. That the selection of Sir Henry was a wise choice has been amply demonstrated.

Space will not allow us to refer in detail to the many important questions which have been successfully dealt with by Mr. Larkin, such as the discriminating preference which caused harm to the Canadian automobile industry, and insurance rates on the St. Lawrence. This last-named achievement which involved lengthy negotiations through the Imperial Shipping Committee with marine insurance underwriters has happily resulted in the release of the ports of Halifax, St. John and Prince Rupert from the operation of the special North Atlantic warranty, and the extension of the summer season in the St. Lawrence by one month. These alterations have had a far-reaching effect, and are calculated to produce beneficial results to Canadian trade and commerce. In all his work he has had Canada's good at heart, and when he has taken up any question, he has gone right through with it.

Multifarious Duties of Commissioner

Few outside the office are aware of the multitude of duties which the High Commissioner is called upon to perform. Though, as already pointed out, the position, powers, and activities of the High Commissioner are defined by Act of Parliament, his duties have become more and more comprehensive as time has gone on. The High Commissioner is not only the representative of Canada and of the Canadian Government collectively, but acts as the agent of various departments of which the government is composed.

Many subjects, too, come under discussion from time to time in connection with which personal action is necessary, and it is in regard to such questions that the High Commissioner represents the Dominion government. Not only are frequent interviews with the secretaries of State and the heads of departments of the Imperial government necessary, but the correspondence with Downing Street and with Ottawa is voluminous and continuous.

Furthermore, the High Commissioner is also the trustee for the sinking funds of the various guaranteed loans. The deposits in Canada are placed in his name and that of the manager of the Bank of Montreal. Then, again, the High Commissioner is frequently called upon to attend as Canadian representative at Geneva and other congresses, in addition to conferences in England and on the continent; while he likewise takes part in committees appointed by the Imperial government to report on matters in which Canada is interested. Apart from what may be described as the official side of the High Commissioner's duties—duties originating with the various departments in Canada—there is a large and ever-increasing correspondence with the public on general matters, natural resources, etc. Inquiries are of all kinds, varying from legal matters and missing relatives to certificates of birth, deaths and marriages. There is, besides, the social side of things to be considered. All applications for presentation at court and levees must go through the High Commissioner, by whom applications are put through to the proper quarters. Another official act of the High Commissioner is that of examining and "uttering" passports. This means assuming the responsibility of the bearer of such a passport going into foreign countries. When a Canadian wishes for a seat in the Strangers' Gallery at the House of Commons, for an invitation for their Majesties' garden parties, or for such ceremonies as the Trooping of the Colours on the King's Birthday, he must apply to the High Commissioner.

Soil Scientists Visit Canada

Making their first examination of soil in Canada, about 100 delegates to the first International Congress of Soil Scientists at Washington, D.C., representing 30 different countries, were in Edmonton and surrounding district recently, showing keen interest and collecting specimens of soil, wild flowers and grasses.

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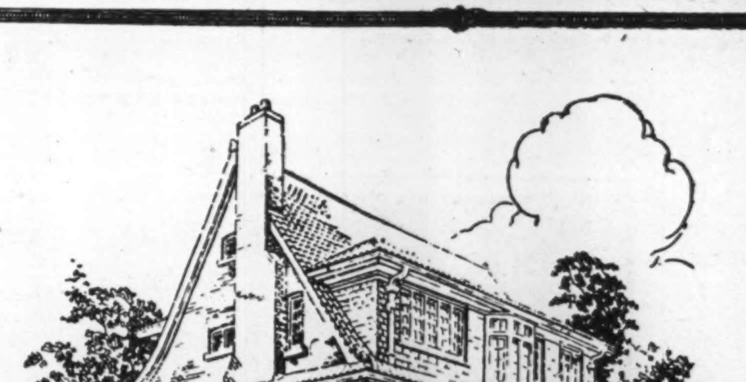

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